FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

Central Eurasia

FBIS-SOV-94-171
Friday
2 September 1994

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of this report is expressly prohibited without obtaining the permission of the copyright owner(s).

Daily Report

Central Eurasia

FBIS-SOV-94-173 7 September 1994

CONTENTS

INTERREGIONAL AFFAIRS

Support Needed for CIS Coal, Metal Association [RABOCHAYA TRIBUNA 31 Aug] 1
ITAR-TASS Carriers Press Review for 7 Sep 1

RUSSIA INTERNATIONAL AFFAIRS

Grachev Says Troop Withdrawal Road Mistake [ITAR-TASS] 3
Further on Grachev Remarks [Moscow TV] 3
Grachev Says Military Relations With U.S. 'Normal' [ITAR-TASS] 3
ITAR-TASS on Lack of Comment on Arms Pullout 4
Editor To Welcome PRC President 5 Sep [Radio Russia] 4
Jiang Favors Exchanges Between China, Russia [ITAR-TASS] 4
ITAR-TASS Profiles PRC's Jiang Zemin 5
PRC's Jiang Profiled on Eve of Visit [IZVESTIYA 5 Sep] 5
Matter, Future of Ties with China Viewed [IZVESTIYA 5 Sep] 6
Russian-Chinese Joint Venture for Iron Ore Mining Set Up [ITAR-TASS] 6
Report on Problems, Prospects in Trade With China [ITAR-TASS] 6
Brown Beijing Trip Shows 'Zeal for Rapprochement' [PRAVDA 5 Sep] 8
Aide Denies Fresh Briefed Kremlin on Illegal Accounts [NEZAVISIMAYA GAZETA 5 Sep] 9
Contact Leader Claims Karmal'ov Asked for 100,000 Soldiers [Madrid ABC 27 Aug] 9
Gaydar Calls for Immediate Scrapping of FRG Sanctions [ITAR-TASS] 10
Purpose of Anti-Hasbi Coalition Examined [IZVESTIYA 5 Sep] 10
Indian Minister Assured of Cooperation in Curbing Terrorism [Delhi Radio] 11
Interior Minister Receives Indian Counterpart [ITAR-TASS] 11
Yastrzhembskiy Says Downing of KAL Plane 'Correct' [Moscow TV] 12
Ministry Official on Improving Ties with Syria [INTERFAX] 12

RUSSIA NATIONAL AFFAIRS

Political Issues

Criticism of Great Diet Arms-Cheshire Agreement [ITAR-TASS] 13
Communists Say 'Everyday Alcoholics' Leading Russia [Moscow Radio] 13
Collect Signatures for Early Elections [INTERFAX] 13
Communists Relying on Regional Support [ITAR-TASS] 14
CPRF Objects to Postponement of Elections [SOVETSKAYA ROSSIYA 7 Sep] 15
Editor on 'Staff for Links With Parties, Bodies' [ROSSIYSKAYA GAZETA 31 Aug] 17
Filatov on Center-Region Constitutional Issues [ROSSIYSKIYE VESTI 31 Aug] 20
Zhirinovskiy Hopeful for German Entry Visa [INTERFAX] 20

Media Issues

Leaders Agree to Press Chief's 'Resignation' [ITAR-TASS] 20
Chairman's Predecessor Views Exposed [NOVAYA YEZHEDNEVNAYA GAZETA 5 Sep] 20
Earth Shift Disrupts Communications Satellite [ROSSIYSKIYE VESTI 7 Sep] 21
ITAR-TASS Chief Interviewed on 'Anniversary' [KOMSOMOLSKAYA PRAVDA 1 Sep] 22
TASS News Agency Profiled [IZVESTIYA 31 Aug] 23
Government Endorses Draft Law on Advertising [ITAR-TASS] 24
Government Approves RODINA's Charter, Editors [ROSSIYSKAYA GAZETA 7 Sep] 24

Economic Issues

Text of Edict on Customs Payments [ROSSIYSKAYA GAZETA 7 Sep] 24

Commitment Created for Payments, Settlements [BMINSK 31 Aug] 24
Moldova Claims Production Steady, Inflation Falling [25 Aug] 25
Customs, Export Control Service Functions Broadened [SELSKIYE 1 Sep] 25
Commercial Banks Seen Attracting More Investment [BIZNES-KURYER 30 Aug] 25
Central Bank Official Denies Monetary Reform Rumors [KOMMERSANT-DAILY 2 Sep] 26
Finance Ministry Proposes Tax Changes [25 Aug] 26
Sanctions Against Regulation-Breaching Commercial Banks [BIZNES-KURYER 1 Sep] 26
Monopoly Watchdog Seeks Economic Democracy [BIZNES-KURYER 31 Aug] 27
Finance Commission Functions Seen as Too Broad [SELSKIYE 31 Aug] 28
State Support for Collective Farming Urged [27 Aug] 28
Zaporozhka Hit Over Farm Debt Crisis [BIZNES-KURYER 1 Sep] 28
Aug Coup Status Report, Sep Forecast [SELSKAYA ZHIZN 1 Sep] 30
Late Aug Inflation Figures Assessed [BIZNES-KURYER 31 Aug] 31

Military, Nuclear & Space Issues

Mir Docking Effort To Continue [Moscow TV] 32
Mir Orbital Station Prepares for Ad Docking Attempt [27 Aug] 32
Space Specialists Undergo Isolation Experiment [27 Aug] 33
Atomic Ministry Says No Radiation Escaped in Fire [27 Aug] 33
Nuclear Power Installs Seriously Underfunded [28 Aug] 33
Arms Exports To Be Increased 40 Percent [25 Aug] 33
Pacific Fleet Commander Promoted [27 Aug] 34
Border Guards Commander Outlines Problems [Moscow TV] 34

Regional Affairs

Situation Extremely Acute After Cis-Martian Clash [27 Aug] 34
Nine Killed in Government-Opposition Clash [Moscow Radio] 34
Dudayev Forces Violate Muslim Holy Authority Decision [Moscow Radio] 35
Further Report on Cis-Martian Clashes [25 Aug] 35
Dudayev Supporters in Armed Clash [27 Aug] 35
Opposition Rally Demands Dudayev Ouster [27 Aug] 35
Source: Chechens Torturing Captured FSK Officers [Moscow TV] 36
Talks on Officer's Release Said Failed [SELSKAYA ZHIZN 1 Sep] 36
Military Forces Only Way To Avoid Civil War [27 Aug] 36
Chechen Opposition Reportedly Liberate Argun City [25 Aug] 36
Chechen Opposition Wins Support in Districts [27 Aug] 37
Chechen Opposition Lacks Single Military Command [25 Aug] 37
Dudayev Opposition View Events in Chechnya [KAZAKHSTANSKAYA PRAVDA 4 Aug] 37
Khasbulatov Says Winning Power in Chechnya [NEZAVISIMAYA GAZETA 1 Sep] 39
Khasbulatov Group Holds Moscow News Conference [Moscow TV] 40
Others Question Legality of Chechen Cease-Fire [SELSKAYA ZHIZN 1 Sep] 40
Ethnic Chechens Support on Moscow-Grozniy Conflict [NEZAVISIMAYA GAZETA 1 Sep] 40
Ingush Congress Seeks Introduction of Federal Rule [25 Aug] 41
Ossetia Speaker Rebuts Tours Voronezh, Tambov [Moscow TV] 41
Siberian City Administration Head Murdered [BIZNES-KURYER 1 Sep] 42

UKRAINE

International Affairs

Chernomyrdin Says Normalization in Ties with Russia [25 Aug] 43
Russian Vice Premier Shokhin Arrives [Moscow Radio] 43
Ukrainian Delegation, Kuchma Premier on Cooperation [Kyiv Radio] 43
Government Delegation Visits Australia [25 Aug] 43
Two Hostages Released in Sarajevo [27 Aug] 43
Economic Talks Held With Turkmen Delegation [Kyiv TV] 44

National Affairs

Minister Views Government Restructuring [LIKSDOVYI KURYER 20 Aug] 44
Domestic Leaders' Reform Strategy Viewed [UNIAN] 46

WESTERN REGION

Belarus

Lukashenka Decree Relieves Aides Officials From Duty
[Belarusian Foreign Ministry Department of Information] 48
Presidential Decree Suspending Privatization Drafted [BELAPAN] 48
Lukashenka Urges Halt to Unjustified Price Hikes [INTERFAX] 48
Lukashenka: 'I Will Never Sell Land' [Minsk Radio] 48
Lukashenka To Retain Control of Border Guards [ITAR-TASS] 49
Presidential Aide Criticizes Local Government System [Minsk Radio] 49
Presidential Staff To Be Under Strict Control [INTERFAX] 49

Moldova

State To Import Cereals To Cover Low Production [RADAPRESS] 49

CENTRAL ASIA

Kazakhstan

Nazarbayev Meets With Turkey's Assembly Speaker [ITAR-TASS] 51
Nazarbayev To Visit Turkey Late Sep [INTERFAX] 51
Turkey To Lay Out $2.7 Billion for Oil Drilling [Ankara TV] 51
Privatization Chief Views Problems, Tasks [Almaty Radio] 51

Tajikistan

Exclusive Interview With Head of State [INTERFAX] 52
Rakhmonov Visits Receiving Refugees [Dushanbe Radio] 53
No Resources to Close Tajik-Afghan Border [INTERFAX] 54

CAUCASUS

Armenia

Talks With Azerbaijan, Nagorno-Karabakh Reviewed [SNARK] 55
Armenia, Georgia To Receive Russian Gas [ARMAN TELEGRAPHIC NEWS BULLETIN] 55
Salary Increases, Official Appointments [Yerevan Radio] 55

Azerbaijan

Major on Political, Economic Conditions [Baku TV] 55
Interior Ministry Claims Illegal Group Disarmed [INTERFAX] 56
Nationalist Group Sends Volunteers to Chechnya [SEGODNYA 1 Sep] 56

Georgia

Alleged Human Rights Violations Highlighted [ARMAN TASHKA 20 Aug] 56
Protesters' Demands To State Human Rights Committee [ARMAN TASHKA 20 Aug] 57
Opposition Stirred Up in Senaki Region [CHVENI TSKHOVREBA 16 Aug] 57

BALTIC STATES

Estonia

Minister on Environmental Damage by Russian Troops [ETA] 5/4
Pace of Privatization Increases Considerably [ETA] 5/4
Soviet Blast in Narva 'Didn't Challenge' to Authority [ETA] 5/4

Support Needed for CIS Coal, Metal Associations

AU0109111194 Moscow RABOCHAYA GAZETA [RGBK] in Russian 31 Aug 94 p 2

[Report by RGBK correspondent Vladimir Smyk "specially for RABOCHAYA GAZETA and RGBK" "Union of Coal and Metal"]

[Text] One year ago the heads of CIS states signed the Agreement on the Formation of the European Interstate Coal and Metal Association [EICMA]. This step was dictated by the fact that since neither Russia nor the other Commonwealth countries have any alternative to this sphere of the economy to integration.

Russia remains the monopoly producer of vanadium and ferrocarbo metal, certain types of cast, vanadium alloys and other types of metal products.

At the same time, with the breakup of the Union, Russia lost a significant part of its rolled metals and was left without exploitable deposits of manganese, chromium, and titanium. The mining base is insufficiently developed for the production of lead, zinc, and quartzites. Nor are the necessary workload for capacities for the production of aluminium, copper, molybdenum, and titanium to be ensured without raw materials from Kazakhstan, Ukraine, Uzbekistan, Georgia, and Armenia. Let me cite the words of Oleg Soskovets, "It should not be thought that we can get by without that part of the raw material and production base which remained in the near abroad after the collapse of the USSR, or that Russia is a position to restore everything that it has lost. According to our calculations, this would cost the country $12 billion. Will the taxpayer understand if we tell him to pay this sum?"

The experience of the European Coal and Steel Community [ECSC], founded in 1952, is also well known. It established the integration links whose development eventually led to the creation of a united Europe.

It is easier to realize this potential in principle in the CIS than in the West.

The associated state's supreme organ has been formed—the EICMA Congress, headed by a president (Serafim Alekin, Chairman of the Russian Federation Committee for Metallurgy), was elected to this post—and the creation of its working apparatus is under way. The EICMA is an interstate organization, and dues for its maintenance should be paid by all its members. But first, few actually do pay, and second, the association's revenue is taxed at rates of up to 90 percent. Our partners in the near abroad raise the natural question: Will their funds help the formation of the association, or will they simply go to top up the Russian Federation budget? Obviously, this problem should be resolved at government level.

In the fall a long-term plan for the integration development of the CIS, in which the EICMA in particular will have the question of establishing special tariffs for the transportation of the raw materials, billets, and components needed by enterprises for manufacturing commercial goods of state. There are many metallurgical enterprises with open cycles in the states of the former Union. The manufacture of end products requires repeated transportation of freight across borders. As a result the price of the end products is substantially increased owing to the payment of customs duties, excise duties, and other freight taxes. This is a heavy burden on all the CIS countries. A tariff policy aimed at reducing transport costs should be accompanied by the reduction of export duties, taxes, and excise duties on freight which countries deliver to one another within the EICMA framework.

A well thought-out customs and tariff policy will stimulate the creation of financial and industrial groups and interstate production companies within the EICMA framework. The Association could become an extremely important integrating factor in the economy of the Commonwealth countries, but it needs energetic government support.

ITAR-TASS Carries Press Review for 2 Sep

LD0209063194 Moscow ITAR-TASS in English 0536 GMT 2 Sep 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow 2 Sep (ITAR-TASS)— "Planes have landed. The train is coming. When welcoming them, we are saying farewell to the whole epoch," KRASNAYA ZVEZDA writes, commenting on the withdrawal of Russian troops from Germany. "On behalf of all Russia, Moscow is cordially welcoming the sons and grandsons of veterans, of those who half a century ago hoisted the victors banner on the defeated Reichstag, of those who saved humanity from the "brown plague." They are returning home after having fulfilled with dignity their soldiers duty, without staining even in the slightest degree the military banners of the war years," the newspaper writes.

KRASNAYA ZVEZDA quotes President Yeltsin as saying that "it was the difficult fulfillment of the military duty. They have contributed a great deal to the preservation of peace. We are grateful to them all. We are grateful to our veterans and all those who served the cause of peace after them."

ROSSIYSKAYE VESTI adds that "the completion of the withdrawal of Russian troops will become a starting point for putting into effect joint declarations on the priority character of partner relations between the two countries."

PRAVDA carries an article entitled "Russian-German starts ugroing... in German," which says, "The last train with Russian soldiers on the way from Berlin to Moscow. Soldiers should serve on their native country, and the president was right saying that. He failed to notice

This report contains information which is or may be copyrighted or a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

however, that these words, when uttered by him, sound ambiguously, because soon after the welcoming ceremonies end at the Belarusian railway terminal, American troops will land in the steppe of the Orenburg region."

Commenting on this subject, KRASNAYA ZVEZDA writes: "The event, which acquired in this country an almost speech-making importance because of the controversy over it and because of the stand assumed by some mass media organs, aimed rather at sensationalism than at impartiality, will take place anyway. The fact alone is very meaningful. It means, among other things, that we are reliable and trustworthy partners, whose words match their deeds."

Newspapers give wide coverage today to the situation in the hotbeds of tension, especially in Chechnya. "Who has the key to this situation?" ROSSIYSKIYE VESTI asks. It carries interviews with Deputy Prime Minister Sergei Shakhrai and Ex-pert Chairman of the Federation Council Ramazan Abdulatipov. "The Russian [Government]-[words indistinct] Chechnya, the same as Tatarstan, Kalmykia and my native Dagestan, need Russia today more than Russia needs them. Politicians who do not realize it are deceiving and duping their people," Abdulatipov believes.

TRUD raises the problem of a possibility of the use of nuclear weapons in case of an armed conflict between Russia and Chechnya. The newspaper writes that, according to the sources which are close to the military leadership of Chechnya, 24 nuclear warheads are still deployed near the highland village of Baimut, at the nuclear post of the anti-aircraft defence troops of the former USSR. The information, dated 1992, has not been verified, however. At the same time, the newspaper continues: "The Russian Defence Ministry stated officially that there are nothing but rumours. There are no nuclear weapons on the territory of Chechnya."

NEZAVISIMAYA GAZETA also carries an article about the situation in Chechnya. The headline reveals the attitude of the newspaper to this problem: "Situation in Chechnya and political intrigues in Russia."

Newspapers publish numerous materials on other subjects too.

ROSSIYSKAYA GAZETA carries an interview with Vladimir Shevchenko, head of the protocol department of the president's administration. According to Shevchenko, the time of expensive presents, that were usually given to honoured guests during their visits, is over. Despite all this, people continue to give Boris Yeltsin "a lot of tennis rackets and balls, because everybody knows that he loves this sport."

RABOCHAYA TRIBUNA writes with reference to various sources, both in the government circles and far from them, that new banknotes will soon be issued in Russia. According to the information of the Central Bank, it is true new 50,000-rouble banknotes will be issued. They will differ from the old ones by a more perfect system of protection against fraud. Now to produce counterfeit banknotes will be a costly undertaking, of course. Those who start it do not want to be caught right away.

IZVESTIYA writes: "It is quite probable that when Queen Elizabeth II of Britain comes to Moscow she will wear the jewellry, that belonged some time ago to the Romanov dynasty, at one of the super- gala receptions that will be given in her honour, or by the Queen herself."

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Grachev Says Troop Withdrawal Rush Mistake

LD0209171794 Moscow ITAR-TASS World Service in Russian 1617 GMT 2 Sep 94

[By ITAR-TASS correspondent Vladimir Gorshkov]

[Text] Moscow, 2 Sep—Army General Pavel Grachev, Russian defense minister, believes that the decision by Mikhail Gorbachev and Eduard Shevardnadze, former leaders of the USSR, to withdraw the Western Group of Forces so soon from Germany was a "profound political mistake." The head of the Russian war department is convinced that it was incredibly difficult to withdraw such an unwieldy force in less than four years since no army in the world has ever relocated on contingents on such colossal volumes and in so short a period of time.

Grachev said at the Chkalovskiy airfield today upon his arrival from Germany that the leadership of the former Union did not think about where the people would be relocated or where they would be accommodated. "We were given an order and we carried it successfully," the army general said, remarking that the withdrawal of Russian troops from Germany "reflected the realities of life and the positive changes that have occurred in the world in recent years."

According to the defense minister, the most task is the provision of social facilities for the Russian troops withdrawn from Germany. However, he added that the Russian president is keeping under his personal control the provision of housing for all the servicemen withdrawn from the former soviet republics and from abroad.

Questioned by an ITAR-TASS correspondent on the Defense Minister's further plans concerning the troop withdrawals, Grachev said that our [word indistinct] will leave the Obvodnyy region and Latvia. Some forces will be withdrawn from Transcaucasia. "We will also have to make a decision on Tajikistan, where the 201st Division is guarding the Commonwealth's southern border. Moreover, we cannot keep it there forever," Grachev stressed.

Further on Grachev Remarks

LD2209203194 Moscow NTV in Russian 2000 GMT 2 Sep 94

[Video report by correspondent Ali Mirzoyev]

[Excerpts] [Mirzoyev] At the Chkalovskiy air base Defense Minister Pavel Grachev and the former commander in chief of the Western Group of troops, were met by a band, the guard of honor, and children with flowers and Russian Federation flags. [passage omitted] Here at Chkalovskiy Grachev and Burlakov held a short news conference. Instead of his introductory address, Grachev suggested that journalists count his deputies as according to him, their number has given rise to rumors. Although Grachev himself failed to give the exact figure, he came to the conclusion that he had fewer deputies than other ministers. Grachev also admitted that the situation around the troops that are being withdrawn from Germany is not easy. However, he blamed the former leadership of the Soviet Union for it.

[Begin Grachev recording] I believe that those leaders who signed, or who made the decision to have this agreement signed, were guided by nothing but political ambitions—to be driven to show how good we are to the rest of the world, how peaceful. On the other hand, however, this leadership did not think at all where to station them, nor to make provisions for them, where soldiers, sergeant's, or warrant officers and their families will live. [end recording]

[Mirzoyev] Marcel Burlakov promised, on his part, that he will personally supervise the accommodation of the military who are being withdrawn from Germany. [passage omitted] Both Grachev and Burlakov rejected the claims that there is too much pompousness around the arrival of the troops, and too much public money is being spent.

[Begin Grachev recording] These troops deserve the highest praise, and I believe that these modest sums that we are now spending on their welcome will not break the state's or the Defense Ministry's back. [end recording] [passage omitted]

Grachev Says Military Relations With U.S. 'Normal'

LD0209211194 Moscow ITAR-TASS World Service in Russian 1617 GMT 2 Sep 94

[By ITAR-TASS correspondent Vadimir Gorshkov]

[Text] Moscow, 2 Sep—Russian Defense Minister Pavel Grachev said at Chkalovskiy airport near Moscow on his arrival from Germany today that he and his U.S. counterpart William Perry will on 6 September attend the joint Russian-American Peacemaker-94 military exercises that begin on Friday at the Totskoye range near Orenburg.

Grachev described military relations between the two countries as "normal." "I know that some people do not like the idea of joint military exercises, but I am only carrying out the decision made by the political leadership," Grachev stressed.

ITAR-TASS on Lack of Comment on Arms Pullout

LD0209091694 Moscow ITAR-TASS in English 0829 GMT 2 Sep 94

[By ITAR-TASS correspondent Aleksandr Moseyev]

[Text] Brussels September 2 TASS—Neither the NATO headquarters nor the governing bodies of the European Union have made any official statements or comments

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

of the withdrawal of Russian troops from Germany, which has altered radically the strategic situation in Europe.

Thus, the statement made in Berlin by Chancellor Helmut Kohl, who will be chairing the Council of Europe until January 1, can be regarded as the European Union's reaction to this event. But Kohl spoke primarily on behalf of his own country. Officials of the European Commission told ITAR-TASS that the withdrawal of Russian troops from some European states was envisaged during the talks on the conclusion with Russia of an agreement on partnership and cooperation. Therefore, officials in the governing bodies of the European Union will probably make no comments on this event.

ITAR-TASS has learned that no NATO statement was forthcoming, nor, as to the Russian president's ideas concerning the future guarantees for collective security in Europe, expressed in the latest statements, an official of the North Atlantic Treaty Organization said that the alliance has always regarded itself as the main instrument and guarantee of security on the continent and that the ideas to enhance the role of the CSCE were not new at all. It is common knowledge that NATO disapproves of them and is intent on the status remaining unchanged.

Yeltsin To Welcome PRC President 5 Sep

LD0209103594 Moscow Radio Rossii Network in Russian 0900 GMT 2 Sep 94

[Text] The official welcoming ceremony for PRC President Jiang Zemin is scheduled for 5 September in the Grand Kremlin Palace. He will be welcomed in the uniformed St. George's Hall by Russian President Boris Yeltsin. The Russian-Chinese talks will also take place there. Later those attending them will move into the neighboring St. Vladimir's Hall for the signing of bilateral documents.

As was reported earlier, the documents include a joint declaration, which will spell out the main guidelines for the development of relations between Russia and China in the long-term perspective, a statement on the non-targeting of strategic nuclear weapons on one another's territory, and an agreement on the western section of the Russian-Chinese border.

An official dinner in honor of the PRC president will be given in the Facets Chamber.

Jiang Favors Exchanges Between China, Russia

LD0209164594 Moscow ITAR-TASS in English 1640 GMT 2 Sep 94

[By ITAR-TASS correspondents Grigoriy Arbatov and Vyacheslav Tomalin]

[Text] Beijing September 2 TASS— The differing concepts, methods and practical steps to reform the Chinese and Russian economies must not interfere with the industrial exchange of views on this process," Chairman of the PRC Jiang Zemin stated here today during a brief press conference held before his departure to Moscow. "Such exchanges are most useful," he added.

In addition to Russia, the Chinese leader will also visit Ukraine and France. This is his first European tour since he became chairman of the People's Republic of China last spring.

"The purpose of my visit," Jiang Zemin noted, "is to promote peace, mutual understanding, cooperation and mutual benefit to discuss problems linked with the development of inter-state relations strategically geared headed into the 21st century.

I hope," he added, "that this trip will allow us to raise our bilateral relations to a new level and will have a benign effect on world peace, stability and development."

Touching on the domestic situation in China, Jiang Zemin said that the country was busy creating and gradually perfecting the structures of the socialist market economy. "We are sure that we shall be able to surmount all our difficulties and all the problems that may crop up in the course of our economic growth, including inflation. China devotes priority attention to the question of ensuring proper equilibrium between the reform, development and stability in order to guarantee the country's quick and sound economic development," Jiang Zemin stressed.

ITAR-TASS Profiles PRC's Jiang Zemin

LD0209001594 Moscow ITAR-TASS in English 0840 GMT 2 Sep 94

[By ITAR-TASS correspondent Marat Abdrakhimov]

[Text] Beijing September 2 TASS—Jiang Zemin, the new chairman, general secretary of the Central Committee of the Communist Party of China (CPC), who arrives for an official visit to Moscow on Friday, belongs to a new generation of Chinese leaders who assumed key posts in the party and the state in the years of reforms in China.

The personality and biography of Jiang Zemin, leader of huge China, attract much interest, but he does not like to talk about himself and his family.

Jiang Zemin was born in Jiangsu Province in 1926. He graduated from the Shanghai Jiaotong Polytechnical Institute in 1947 receiving higher technical education. A year before the graduation he joined the Communist Party of China. In 1955 he was sent to train at Moscow's Stalin autoworks. He worked for about 30 years in the machine-building industry.

Just as many who had some connection with the Soviet Union Jiang Zemin was subjected to reprisals during the "cultural revolution" in 1967-1970. He underwent "reeducation by labour" working as a clerk and fitter in a research institute. People who are well acquainted

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

with him note that at that period he formed negative attitude to leftist ideas and their supporters.

Jiang Zemin played important role in the creation of special economic zones and development of the electronic industry in China. In 1985 Jiang Zemin arrived again in Shanghai, a large industrial center. He held the posts of deputy secretary, secretary of the city committee of the party and later of the city's mayor.

In 1982 he was elected to the CPC Central Committee and in 1987 he was coopted into the Politburo of the CPC Central Committee as one of the boldest reformers who was effective in the road of reforms in province. Political qualities of Jiang Zemin were vividly manifested in April-June 1989. He showed flexibility and was able to localize student protests in Shanghai and prevent riots in that city with a population of many millions.

Jiang Zemin's actions and attitude during the student protests proved decisive when his candidature to the post of general secretary of the CPC Central Committee was considered in 1989. Experts believe that his election to the top post in the party was the result of a compromise between Deng Xiaoping and Chen Yun, one of the most influential veterans with moderately conservative views. With the passage of time, Jiang Zemin, backed by Deng Xiaoping, succeeded in consolidating his lead in the party and state and in the army. In 1992 he was reelected general secretary of the Central Committee of the party and president of the Military Council of the CPC Central Committee. In March 1993 the National People's Congress of China elected Jiang Zemin to the supreme state post, Chairman of the Chinese People's Republic. Political leadership of China is rallied around him.

Jiang Zemin who was born into the family of Chinese intelligentsia, was striving for knowledge from early childhood. He speaks English, Russian, Romanian. He is reputed to write verse, but he does not publish it. Jiang Zemin likes Russian classical literature, particularly Pushkin, Turgenev, Tolstoy, Dostoyevsky. He also likes Russian music, particularly works of Tchaikovsky, Mussorgsky, Glinka. He plays various music instruments.

Recalling his life in Moscow, Jiang Zemin says that he liked Soviet pop songs of the forties-fifties.

PRC's Jiang Profiled on Eve of Visit

[MOSCOW]NEW Moscow GVEDOMOSTI in Russian 3 Sep 96 p 1

[Report by Vladimir Skosyrev: "PRC President Will Come and Visit Us with His Wife and a Package of Measures"]

[Text] Beijing—The visit to Russia by PRC President Jiang Zemin, which is just beginning, will turn out to be unprecedented in at least one respect. It is the first time that the head of the Chinese state will visit us with his wife.

Wang Yeping, the president's wife, has stayed in the background so far. It is known that she and Jiang have two sons, and both studied abroad. They have grandchildren.

For the 69-year-old Chinese leader, Moscow is a familiar city. After all, in 1955 he spent a whole year here, working at the Stalin Automobile Plant (now the Likhachev Automobile Plant). At that time the Chinese used to come to our country to grow wise, to be composed of their "elder brothers." But Jiang was not an ordinary trainee. Even in the years of the civil war, he graduated from the Shanghai Institute of Transportation and Communications—one of the best technical higher educational establishments in China—and managed to take part in Communist Youth League work underground.

Since those days in Moscow, the PRC president and CPC Central Committee general secretary has retained his love for our songs and proverbs. "How are things?" he often asked the drivers of the Russian team of correspondents in Beijing at receptions. And then answered himself: "Things are fine, the office is working, isn't it?" Apart from Russian, he also knows English and Esperanto.

Linguistic abilities, however, are not enough to raise oneself to the summit of power in the "Middle Kingdom." Successful work in state service is not enough either—and after all, that is what Jiang's career comprised for such a long time. He worked first in the sphere of foreign economic relations, then in the Ministry of the Electronics Industry. And it was only in the 1980's that he became mayor and party leader of Shanghai, the head of the country's largest city, for, like the Russian president, often traveled incognito in overcrowded buses and checked if there was food in the stores.

Paradoxically enough, Jiang's rise was connected with the tragedy that occurred five years ago on Tiananmen Square. Following the suppression of the demonstration by students, the supreme leader Deng Xiaoping decided that the party should be headed by a new person. He was supposed not to be involved in the bloody events, but nor was he to be lenient with troublemakers, like General Secretary Zhao Ziyang, who made that mistake.

Having moved from the post of mayor to the post of chief of the largest communist party in the world, Jiang assigned primary importance in his activity to the teaching of Deng Xiaoping about the building of socialism with Chinese characteristics, which means the possibility of using capitalist methods in running the economy, while retaining strict political control in the hands of the CPC. Jiang's authority in the party hierarchy was also strengthened following a trip to the United States, when, in reply to the appeal made by President Clinton to improve the human rights situation, the PRC chairman made it clear that Beijing will not allow anyone to dictate how he should deal with his subjects.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

As for the upcoming talks in Moscow, no such leaders are envisaged there. In relations between Moscow and Beijing, the ideological factor has ceased playing any kind of role. The future of Chinese possession of consciences (and there are hundreds of them) does not worry Russia officially. In any case, at recent high-level meetings our side has not even mentioned them.

Apart from Moscow, Jiang will visit Ekaterinburg. Why this city in particular? The Chinese Foreign Ministry has made it known that this is a sign of respect for Yeltsin.

Status, Future of Ties with China Viewed

[Article by Yuriy Savitskiy: "Before You Part a Few Set Rules Is Given. Moscow and Beijing Strive To Abide by This Chinese Proverb"]

[Text] One of the Chinese acquaintances recently said that the degree of optimism as to the future of Sino-Russian ties depends on whether the two countries' leaders abide by the Chinese saying: Before you part a while set rules is given.

The history of Sino-Russian relations in the second half of the 20th century has seen an unprecedented number of changes. The ups, downs, confrontation, flaming statements, and frontal attacks take your breath away. 1982. President Jiang Zemin, who is today beginning an official visit to Russia, has first-hand knowledge of this.

During the Ulans, where he was working at the Likhachev Plant, the phrase "the Russian and Chinese are brothers forever" was seen as a symbol of faith. But a few years after the Soviet leader returned to Beijing, a new era began. Prejudices developed into mistrust and hostility, even hatred. The ideological polemics between the religious events ultimately degenerated into global strategic confrontation.

At the dawn of the nineties Jiang Zemin once again came to Moscow, this time as general secretary of the CPC. He saw a different country. It was still three months before the putsch and just over six months before the Belovezhskaya agreements. Jiang did not meet with Yeltsin at the time. In Beijing's eyes he personified undesirable separatist tendencies and was seen as nothing more than the "governor of a province" and not a national leader.

Different times bring different morals. And now Jiang Zemin is paying a return visit to Moscow following the Russian president's visit to Beijing at the winter of 1992. That journey was of course a great thing. As Boris Yeltsin remarked: "This visit is worthy of the Guinness Book of Records." He was referring to the astronomical number of documents that were signed, namely 23. The main one being the Declaration on the Fundamental Principles of Relations Between the Countries. Russian diplomats are very proud of this document. After all, China has not signed a document at this level either with the Americans or with Gorbachev.

Moscow and Beijing agreed not to join military or political alliances directed against the other side, never not to use their territory to the detriment of their partner's security, and confirmed their respect for the rights of peoples to freely choose their path of development and the fact that different systems and ideology are no obstacle to the normal development of interstate relations.

Mikhail Bely, director of the Russian Foreign Ministry's First Department, believes that Moscow and Beijing realize that it is necessary to nurture the stability that has been gained with such difficulty for the sake of future generations. The Chinese understand our difficulties, consider them to be temporary, and believe in Russia as a great power.

Attention is drawn to three topics during the Chinese leader's visit.

First, the presidents will endorse with their signatures the new quality of Sino-Russian relations, in which constructive partnership in bilateral and international affairs.

Second, a statement regarding mutual nontargeting of missiles will be issued during the visit. It is appropriate to recall two previous documents. The memorandum on mutual arms cuts and confidence-building measures in the border region obliges Moscow and Beijing to create a zone of stability by the year 2000 where the number of troops will be reduced to the minimum level necessary for defense. An agreement was signed quite recently on the prevention of the danger of military activity.

Russia and China, two Asian countries, are clearly setting an example for the Asia-Pacific region, where everyone is still pondering where to begin—with disarmament or confidence-building measures. This may be the first stone in the edifice of regional security.

Finally, the third topic. An agreement will be signed on the western section of the Sino-Russian border. Since an agreement on the eastern section has already been achieved and demarcation has begun there, this means that for the first time in the history of our relations the border will be formalized in law.

It is significant that the remaining contentious territories will not put a spoke in the wheel. The talks over the islands of Bolshoy Ussuriyskiy and Tarabarov near Khabarovsk and Bolshoy Island in the upper reaches of the Argun River will continue. Moscow's position is this: Let future generations decide. The Chinese are admirably inclined to talk since the islands are after all under Russian control.

I would point out that the eagerness speculation regarding the seizure of Russian territory is absurd. In the early thirties the Russian leadership unilaterally and

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

artificially fixed the border on the rivers and took control of virtually all the islands in the Amur and Ussuri Rivers. Historically they were no-man's-land. Now the border line runs down the middle of the main channel of navigable rivers and down the middle of the river or its main branch on nonnavigable rivers. In line with international law.

Against this outwardly favorable backdrop I think that there is reason to say what lies in store for Russia and China in the 21st century. A new quality of our relations has been proclaimed but it has not become a reality. The level does not match the two countries' potential. This phrase has already become a platitude. The almost 40-percent drop in commodity turnover in the first half of the year has showed that barter (40 percent of operations) has practically exhausted itself. The structure of Russian exports is extremely unsatisfactory. Raw materials prevail. Russian imports and exports make up just 4 percent of Chinese commodity turnover (in the late 1980s the USSR accounted for 10 percent). The Chinese desire to acquire our high technologies at low prices is alarming. Russia's positions on the Chinese investment market are laughable. There are several hundred small joint enterprises with an average Russian contribution to a single enterprise of $0.7 million. The Russian president's idea for a network of free economic zones along the border is hanging fire. They virtually amount to just a network of flea markets. A policy of state preferential treatment for entrepreneurs and laws on the status of foreigners and free economic zones are needed in order to raise the level. The problem of creating Chinese settlements must be approached without hysteria, from the viewpoint of the law, good sense, and profit for Russia.

Incidentally, Moscow has not even voiced its opinion of the plan for an economic cooperation zone on the Tumannaya River at the junction of three borders, namely the borders of Russia, China, and the DPRK. The UN Development Program backs this zone, which should help attract foreign capital and technologies. And international production sharing will be able to create preconditions for Russia's eastern regions to become integrated into the economy of the Asia-Pacific region, a highly dynamic region, in which China is forecast to play the main role in the 21st century.

Moreover integration within the Asia-Pacific region is our destiny. In the past the United States headed west, China headed south, and Russia has historically headed east.

The Asia-Pacific region does not only represent a highly dynamic economy. It represents a unique interpenetration of cultures. Western, Confucian, and Buddhist. Obviously our "Eur" values may play a unique role in developing the civilization of the future.

Is it not time to revive Russian-Chinese cultural and scientific ties by the strictest criteria? At one time Russia was judged on the splendid bridge across the Yangtze River, which was built in accordance with Konstantin Ton's unique blueprints, or by Galina Ulanova's poetic dance.

Russian-Chinese Joint Venture for Iron Ore Mining Set Up

[LD022043] TM Moscow ITAR-TASS in English 0949 GMT 2 Sep 94

[By ITAR-TASS correspondent Viktor Gorshkov]

[Text] Birobidzhan September 2 TASS—A Russian-Chinese joint venture for the production and processing of iron ore is to set up a plant at the Kimkan ore deposits in the Yevreyskaya (Jewish) autonomous area, which borders on China.

It is estimated that the deposits, which are 120 kilometers away from the area's administrative center, Birobidzhan, contain more than one billion tonnes of iron ore. The Kimkan ore has the same properties as the ore used by a metallurgical plant in the Chinese province of Heilongjiang.

The new joint venture will create hundreds of new jobs in the autonomous area and will contribute lots of money to the local budget. The documents specifying the rights and responsibilities of the contracting sides have already been signed.

Report on Problems, Prospects in Trade With China

[LD022043] Moscow ITAR-TASS in English 1419 GMT 2 Sep 94

[By ITAR-TASS correspondents Marat Abulkhalikov and Aleksandr Romanov]

[Text] Beijing September 2 TASS—Trade between China and Russia will continue to develop in a civilized way despite difficulties which arise from time to time. Now that the "search and run" sentiments are subsiding after reaching a peak in the early nineties which witnessed a boom in cross-border trade between the two countries, new forms of cooperation and investment interaction are coming on to replace the sporadic and primitive forms of exchange.

Commercial activity is being channeled along a controlled path towards generally acknowledged world trade norms, according to representatives of the business circles in Russia and China.

Last year, China ranked second after Germany among the Russian Federation's trade partners. The value of bilateral trade amounted to 7.7 billion dollars, up 30 percent from 1992. Russia's exports to China earned five billion dollars, and its imports from that country were worth 2.7 billion dollars.

By the end of 1993, the number of contracts signed within the framework of cross-border trading began to

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

dismissed. And although, according to experts, that fact did not affect the overall positive results of bilateral trade last year, the first quarter of this year registered a considerable reduction in trade turnover.

The situation in bilateral trade at present is due to a number of reasons. As far as the Russian side is concerned, its trade potential is being affected by the continuing production slump and growing prices, rising costs of transportation and customs rates, as well as by tougher controls over the export of raw materials and the saturation of the Russian domestic market with imported goods, including Chinese.

On the Chinese side, demand for many kinds of products traditionally imported from Russia is dwindling due to a policy of restricting the pace of capital construction pursued in China in the second half of this year. In addition, a negative impact is being exercised by import restricting measures adopted by the Chinese Government with the aim of liquidating or at least reducing the deficit in the country's foreign trade balance, and introducing a single (currency) market exchange rate together with the concurrent devaluation of the national currency.

However, despite these unfavourable factors, experts in the Russian Federation and the Chinese People's Republic are unanimous in their belief that the present problems in developing trade between the two countries is temporary in character. Moreover they assert that some of the above reasons are objectively favourable for the transfer of bilateral trade to a more sound basis.

Problems existed and will continue to exist. There nevertheless depends on the desire and efforts to develop equal mutually beneficial relations, including in the trade and economic spheres, many sources in the Chinese business community told ITAR-TASS in conversations concerning problems and prospects for bilateral economic relations. A certain decline in bilateral trade and economic relations this year is "a temporary phenomenon", according to Chinese Chairman Jiang Zemin, who stressed this in his recent interview with Russian journalists ahead of his trip to Moscow.

Jiang Zemin pointed to the presence of immense potential for the development of trade and economic ties between the two countries and said joint efforts of the partners would be needed to use this potential.

Russian President Boris Yeltsin is of the same opinion. "Economic relations between our countries must be taken to a qualitatively new level," he said in an interview with XINHUA.

According to the Russian president, high on the bilateral agenda is "the transition to more modern forms of interaction, including co-production and investment cooperation."

It is not accidental that the leaders of the Russian Federation and the Chinese People's Republic intend to discuss in a constructive atmosphere further expansion of trade and economic ties between the two great neighbours.

They plan to sign in Moscow a protocol on trade and economic cooperation between Russia and China to determine the value of inter-state deliveries this year. The value is expected to be set at an equivalent of 165 million Swiss francs. The protocol will for the first time record China's pledge to pay for some of Russian goods in freely convertible currency.

Brown Beijing Trip Shows 'Zeal for Rapprochement'

MM2609092094 Moscow PRAVDA in Russian 27 Aug 94 p 7

[Report by Andrei Krushinskiy: "The United States Promises a 'Flexible Stance' Prompting Firm Washington on Eve of PRC President's Visit to Moscow"]

[Text] Beijing—An important move has just become apparent in China's trade and economic relations with the United States. Having maintained a three-month pause following Clinton's statement on extending to China most-favored-nation status in trade with the United States, Washington has sent an official with the rank of government member to Beijing for the first time during this period, namely Commerce Secretary Ronald Brown.

He has flown here on a special aircraft accompanied by representatives of 24 very influential (to use his words) U.S. companies, as well as high-ranking government officials. He literally exudes credits and promises, in particular, a "flexible U.S. stance" in the upcoming battle over the restoration of China's GATT membership.

What can account for this? Maybe China has suddenly come to a compromise over its "dissidents"? Or has it followed Russia's example and knocked on NATO's door? Or, for example, come out in support of the U.S.-South Korean staff exercises?

None of these. Precisely the opposite. The PRC is persistently emphasizing its adherence to the five principles of peaceful coexistence and its categorical desire to stay outside blocs. The Chinese representative at the United Nations recently delivered a kind of lecture from the Security Council rostrum, assessing the planned U.S. invasion of Haiti as an action that runs counter to the UN Charter, interference in the internal affairs of a sovereign state, and a dangerous precedent in international relations.

Chinese propaganda prefers to give Pyongyang's interpretation of information on the situation on the Korean Peninsula. Finally, rumors of the sentencing of a number

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

of persons who engaged in criminal activity are now spreading among foreign journalists accredited here.

So, what can account for this gesture with regard to sending Brown to Beijing, specially escorted by Clinton himself, before he flew out of Washington? During a grand dinner for as many as 600 persons, given in Beijing, Brown gave this explanation: "We have come at a key moment. The planet's economic wealth has become a decisive factor in the security of the world and of individual states. China is the state with the fastest-developing economy in the world. Last year U.S. exports to China totaled $8 billion—which provided 150,000 Americans with jobs. China's strategic and economic significance require our two countries to maintain stable and mutually advantageous relations."

All this sounds perfectly fair and sincere. But not everything. Both the granting of most-favored-nation status and Brown's visit were direct precursors to the first case of Russian Premier Chernomyrdin's visit to Beijing in the second of PRC President Jiang Zemin's visit to Moscow. In this and another aspect of the "key moment" incidentally, information has filtered through that the main accompanying Brown is nurturing ideas, for example, of placing under U.S. patronage some of the major PRC state enterprises which were constructed with the USSR's participation and which now, according to all logic, ought to be modernized with Russian assistance.

What can we do?—the world lives by market rules and industrial powers are waging a very acute competitive struggle for profitable orders and jobs for their citizens. In this case, however, it is not just the U.S. companies are not averse to snatching potential contracts from, say, "Uralmash" or "Elektrosila." It seems to me that we are witnessing the zeal of Washington politicians for rapprochement between the two neighboring powers. Their tacit abandonment of a tough policy on the PRC on two occasions convincingly exposes the U.S. strategy. At the same time this can also be understood as involuntary prompting from across the ocean with regard to the great significance of the Chinese leader's upcoming visit to Moscow for both Russia and China and for world equilibrium as a whole.

Aide Denies French Reported Accusation on Illegal Accounts

[KRASNOYARSKAYA Moscow NEZAVISIMAYA GAZETA in Russian 7 Sep 96 p 2]

[PUNZHINSKIY report under the "In Brief" rubric: "Moscow"]

[Text] A staffer of the Russian president's administration, who asked not to be identified, has questioned the trustworthiness of reports that FBI Director Louis Freeh briefed high-ranking officials of the presidential administration during his Moscow visit on a list of Russian citizens who have accounts in American banks that have been replenished with proceeds from large-scale criminal operations. According to the source, the transfer of this information would "not be in the interests of the American whatever it is" all the more so if the item "contains names of high-ranking Russian officials." In his view, had this information been passed, it "would have taken place at a much higher level."

Cossack Leader Claims Karadzic Asked for 100,000 Soldiers

[KRUGOSVET "The Montreal 220 in Spanish 27 Aug 96 p 30]

[Interview with Russian General Viktor Nikolayevich Kazov, "ataman general of the Cossacks of all the Russias," by Ramiro Villapadierna in Novocherkassk; date not given]

[Text] Novocherkassk—Some 3,000 armed Cossacks entered Bosnia through the border post of Zvornik, according to sources cited by the independent news agency BETA in Belgrade. General Viktor Nikolayevich Kazov, ataman general of the Cossacks of all the Russias, confirmed this report to ABC. "Radovan Karadzic, the Serb rebel leader, asked me for 100,000 men and that was the first detachment," Kazov said to ABC.

Viktor Kazov, who it was clear had hurriedly donned up as ataman general of the Cossacks in the world and in all the Russias for the occasion, said that he has "10 million Cossacks in arms ready to defend the holy Orthodox and Russia from the dangers besetting it." But in Russia is danger? "The attack comes from all sides," he said. "The Jews from within, the Caucasians and Islam from without. The Romanians in Moldavia, the Uighurs in Turkestan, the Chechens, the Avars, the Turks."

[Villapadierna] Are the Romanians, Ukrainians, Croatians, and Bosnians against whom you have spoken not Orthodox too?

[Kazov] The Ukrainians are Slavs but they are manipulated by the West. And the Serbs assure me that the Croats and Bosnians are not Slavs.

[Villapadierna] But they are.

[Kazov] Well, in that case, it seems very odd to me that Karadzic should have told me they are not Slavs. I must look into this.

[Villapadierna] How you sent 3,000 Cossacks to Bosnia?

[Kazov] Yes, they called me from Zvornik to tell me they had crossed and all was well.

[Villapadierna] Are the Cossacks not part of the Russian army? Did you speak with [Russian Defense Minister] General Grachev about sending how 3,000 men?

[Kazov] Grachev has nothing to do with it. My Cossacks are volunteers fighting for Russia and the Slav world.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Villapadierna] But you also insist that you are fighting against communism, including Martinov's Red Cossacks, and yet it is precisely Milosevic and the leadership in Belgrade which represents Communist vestiges in the former Yugoslavia.

[Raisov] The Red Cossacks are communists of old, the same ones that today kiss the hand of Patriarch Alexei and yet two years ago were praying to atheism [as published]. First they were loyal to the government now they bend the knee to America. And what is America's will? That the Cossacks and Holy Russia should disappear. We are a very rich country, we do not need the aid of financial Judaism and its banks. America wants to deliver us into the hands of more people like Lenin and Trotskiy, all Jews.

[Villapadierna] But Red and White Cossacks are united in their fight in support of Belgrade's extermination communism in Bosnia and Croatia.

[Raisov] We will never support communism. We are fighting on the side of the workers, the Slavs.

[Villapadierna] Everybody knows the Bosnian Muslims are Slavs.

[Raisov] Do not be stupid. Muslims are not Slavs.

[Villapadierna] Are there no Muslim Cossacks? Are they too not Slavs who have converted? And are there no Buddhist or Catholic Cossacks either?

[Raisov] All right, fair enough, but if that is the case why would our men go to fight in Croatia and Bosnia? Even if it were certain that the Belgrade regime is communist, we must be on the side of the weak as a matter of principle.

[Villapadierna] Have the Cossacks not always been mistaken, in every war? It was Belgrade which attacked the Croatians and Bosnians.

[Graitzer] There, I believe that it is best not to get too involved in this war. I will have to look into it. I will have to ask Karadzic again. I only know that some Serbian deputies and members of the military came here to ask for help. How could we refuse to help our brothers, who were being wiped out in Croatia and Bosnia? We Slavs must defend and support each other.

Gaydar Calls for Immediate Scrapping of UN Sanctions

LD0309162794 Moscow ITAR-TASS in English 1525 GMT 1 Sep 94

[by ITAR-TASS correspondent Ivan Ivanov]

[Text] Belgrade September 1 TASS—Serbian Government Chairman Mirko Marjanovic on Thursday met at his residence visiting former Russian prime-minister Yegor Gaydar, now the leader of Russia's Democratic Choice Party, who is in Belgrade at the invitation from the Serbian prime minister.

Gaydar told ITAR-TASS after a ninety-minute conversation with Marjanovic that they "discussed mainly economic problems of Serbia and Russia, exchanged experiences and addressed privatization issues."

Thorough attention was given to cooperation between the two countries after the lifting of international sanctions against Yugoslavia.

"Marjanovic and I agreed that today there is every reason for lifting the international economic and political sanctions imposed against Yugoslavia more than two years ago. They must be immediately scrapped, especially those relating to humanitarian areas," Gaydar stressed.

Purpose of Anti-Haiti Coalition Examined

LD0609154794 Moscow OBSHCHAYA GAZETA in Russian No 34, 27 Aug-2 Sep 94 p 7

[Report by Vladimir Vasilev: "Slight Smell of Powder from Jamaica. United States Gathers Together Vietnam Coalition Swearing To Restore Democracy to Haiti"]

[Text] Washington—The United States' attack potential in the invasion of Haiti may increase still further if the armed forces of Antigua join the planned assault on this island. However, the island state of Antigua and Barbuda (with a population of around 80,000) in the Caribbean basin is still wavering as to whether it should get embroiled in the war with the Haitian generals.

So, and large, a coalition has already been cobbled together and it has even been decided who will attack and where. The U.S. Marines will be in the first echelon. The second wave will consist of assault troops from Jamaica, Belize, and Trinidad and Tobago.

Although the combined offensive might of these four states is still not finally determined, it may increase in the near future should the Bahamas, Guyana, and the aforementioned state of Antigua join the coalition. The governments of these countries are still at the decision-making process.

However this will hardly affect the dates of the operation against the Haitian military regime. Statements about the Port-au-Prince generals are sounding increasingly tougher. One can deduce from the statements made by S. Talbott, the number two man at the U.S. Department of State, and John Deutch, the number two man at the Department of Defense, that the occupation of Haiti is inevitable.

S. Talbott and J. Deutch are now in the Dominican Republic, the only state that has a land border with Haiti. The Dominicans would like to keep aloof from clashes with their neighbors. But for Washington the three and a half [as published] Dominican soldiers are neither here nor there. If it is a matter of fear of

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

casualties, the Pentagon will put the Dominican troops in the third line behind the quartermasters and reporters.

But the political significance of the coalition is immeasurably greater than the modest combat might of the participating states. The main reason for the disagreements between the U.S. diplomats and the U.S. military was the impossibility of conquering Haiti—there were no and there are no doubts on this [sentence as published]. The major thing is how to leave the place. It is not combat that soldiers fear, but the ordeal of occupation.

The coalition must help the United States avoid the disappointment of a Somalia or Haiti. It is already known that the operation against the putschist generals will begin no earlier than a month's time and will last for no less than six months. Otherwise law and order will not be restored in the country.

Even Canada, which refused parachutists to take part in the first stage of the landing on Haiti, agrees to contribute to the subsequent settlement. Argentina and Britain have agreed to take part in forming a new Haitian Army—soldiers to say once the current army's top brass have been driven out.

The return of Jean-Bertrand Aristide, the president of Haiti elected by the people and expelled by the military, is the question of the day. You can judge from what U.S. officials are saying that the coming month will be a period when slow but constant pressure is put on the generals to make them get out while the going is good.

The Port-au-Prince authorities are reacting calmly to the threats. That is quite sensible because Haiti can probably stand its ground against Antigua but probably not against the United States. When nothing depends on one, an independent policy is the only one possible.

Indian Minister Assured of Cooperation in Curbing Terrorism

OW2309060394 Delhi All India Radio Network in English 0245 GMT 23 Sep 94

[Text] Russia has expressed its readiness to fully cooperate with India in combating international crime challenging its security and territorial integrity.

This was conveyed by the chief of the Russian intelligence service, Mr (Sergey Stefanov), to the visiting home minister, Mr S.B. Chavan, at a meeting in Moscow yesterday. They discussed the alarming aspects of international crime, including illicit trade of arms, weapons-grade fissile materials, and narcotics, as well as trans-border terrorism.

Interior Minister Receives Indian Counterpart

LD2309203794 Moscow ITAR-TASS in English 1947 GMT 23 Sep 94

[By ITAR-TASS correspondent Larisa Kislitskaya]

[Text] Moscow September 23 TASS—Russian Interior Minister Viktor Yerin on Friday met his Indian counterpart Shankarrao Bhaurao Chavan, who is on visit here, to discuss cooperation in personnel training and combating inter-regional organised crime, including illegal drug trafficking and economic crime.

The Russian and Indian interior ministers will hold a press- conference later in the day.

Yazovnikov Says Downing of KAL Plane 'Correct'

LD2603062994 Moscow NTV in Russian 1800 GMT 1 Sep 94

[Video report by Vladimir Kara-Murza, including recordings of remarks by Valentin Yazovnikov and an unidentified fighter pilot]

[Text] The sunny 1 September turned out to be the last day in the lives of all 269 passengers of the South Korean Boeing 13 years ago. The airplane, which had deviated considerably from its course, was shot down in the airspace of the USSR. The investigation of all the circumstances of this tragic episode can be helped a great deal by its immediate participants. Valentin Yazovnikov, commander of the main operational directorate of the General Staff, and later commander of all land-based forces, was one of the active perpetrators of this dramatic event. Yazovnikov was recently acquitted in the trial of the State Committee for the State of Emergency.

[Yazovnikov] I received the report at 2040. At that moment I was in the General Staff. I phoned the commander, Tretyak, and told him to get the aircraft to land. If it disobeyed, at the end of the day it must be shot down. I told him that. Naturally, we thought that it was a spy plane. We had no reports that it was a cargo, let alone a passenger plane.

[Kara-Murza] After the attempts to contact the crew had failed, the fatal decision was taken.

[Pilot] I would have helped him if he were in trouble. But if he was a transgressor, he could land at our airfield, and we would have sorted him out there, once he has landed. But it continued flying, following the same course at the same altitude. So I received the command—a clear-cut, definite command.

[Yazovnikov] Two missiles were fired, both hit the plane and it was shot down. Personally I believe that all the actions of the air defense were correct, and they achieved their objective.

[Kara-Murza] Many times Moscow had to apologize before the world community for fulfilling this objective. However, as a press conference in Tokyo held by the Japanese committee investigating the incident showed today, the public is still asking a lot of questions of the U.S. side too. A risky policy pursued by both sides

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

brought the world to the brink of military conflict. That is why, after all these years, this episode must not be forgotten."

Ministry Official on Improving Ties with Syria

LD0209161994 Moscow *INTERFAX* in English 1502 GMT 1 Sep 94

[From the "Diplomatic Panorama" feature: Reports by our diplomatic correspondents Aleksandr Kozyrin, Igor Porshnev, Yevgeniy Terekhov and others]

[Text] Moscow intends to continue developing military-technical cooperation with Damascus but taking into consideration the new situation both in Russia and the Middle East, Deputy Director of the Middle East and North Africa Department under the Russian Foreign Ministry Viktor Gotsulov told Interfax today.

Gotsulov said that when the USSR had existed and there had been the global confrontation between the USSR and the U.S. and the regional one between Syria and Israel huge arms deliveries to Damascus and Tel-Aviv had been carried out.

Gotsulov added that the cold war is over and due to the peaceful process in the Middle East will be not so overloaded with arms. Gotsulov said that the Middle East leaders begin to realize that it is impossible to resolve the issue of Arab-Israeli confrontation by military means. "That is why it is natural that the parties start to think about reasonable defense sufficiency. Proceeding from the new situation Russian-Syrian military cooperation will be built," he said. Gotsulov denied that Russia had written off a part of Syria's debt to it, as the media has alleged. "The issue is being negotiated on," he added.

Gotsulov said Moscow is interested in enhancing relations with Damascus in all spheres "taking into consideration bilateral relations and the role of co-sponsors which Russia and the U.S. play in settlement of the Arab-Israeli conflict."

Gotsulov said that in addition to close relations with Syria Russia has close relations with other participants in the peace process in the region, including Israel. "We believe that this helps to establish peace in the Middle East," he added.

"Historically Russia and Syria have accumulated huge potential which we want to develop given the new situation and taking into consideration our co-sponsorship and the interests in urgent establishment of peace in the region," he said.

Gotsulov said he believes that Moscow and Damascus have relations of mutual confidence. He added that Moscow is not going to force anybody to do something or to dictate its will.

Gotsulov said Russia would like to contribute to settlement of the Arab-Israeli conflict. "Developments in the Middle East have shown that nobody in this region can be forced to do anything and that attempts to do this would bring results contrary to what was expected," he added.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Political Issues

Criticism of Great Don Army-Chechen Agreement

LD0209194694 Moscow ITAR-TASS in English 1728 GMT 1 Sep 94

[By ITAR-TASS correspondent Vyacheslav Bondarenko]

[Text] Rostov-on-Don September 1 TASS— The agreement on friendship and cooperation signed on August 24, 1994 between the Great Don Army and the Chechen Republic-Ichkeria represents a gross violation of the constitution of the Russian Federation. The agreement has no legal force, and carries a threat of destabilization of the situation in the north Caucasus and the Rostov region," according to the statement issued by the Rostov regional administration and legislative assembly on Thursday.

The agreement was signed by Cossack Generals and Ataman Gidich of Nakhichevan [as received] and Chechnya's President Dzhokhar Dudayev.

The Rostov regional authorities have distanced themselves from the deal in an unusually harsh manner because they see many of its provisions as incompatible with Russia's policies aiming to maintain stability in the north Caucasus.

Besides, the agreement is said to contradict the charter of the Cossack Union of the Great Don Army, a public organization.

Criticism of the agreement was earlier voiced by numerous public groups, including the Cossaks of the Stavropol territory and Kuban, southern Russia. There, Kuban Cossack Army Ataman Gromov addressed the Rostov regional administration, saying that "with this act Kostrikov betrayed the region's Slav population, especially the Cossacks."

The agreement was blasted by a number of Don atamans as "a stab in the back" because it had been fraudulently signed "on behalf of all the Terek and Kuban Cossacks."

The Rostov regional administration and legislative assembly warned that any attempt by the signatories to implement the agreement's provisions and to arbitrarily assume governing functions and powers might "in a certain situation warrant a decision to suspend further activities of the Cossack Union of the Great Don Army or even to dissolve it."

Communists Say 'Everyday Alcoholics' Leading Russia

LD0209230694 Moscow Radiostantsiya Ekho Moskvy in Russian 2000 GMT 1 Sep 94

[Text] Two spokesmen for the opposition—Anatoliy Lukyanov and Gennadiy Zyuganov, State Duma deputies from the communist faction—have made a number of accusations concerning the present Russian leadership during their trip to St. Petersburg.

The country is today being led by mediocrity and businessmen, at times taking the form of everyday alcoholics, while Lenya Golubkov [main-on-the-street slur of MMM commercials] has become the symbol of the age, Zyuganov said at the start of a lecture on the crisis in the system. The leader of the Russian Communist Party believes that the crisis was planned in the West and the results have surpassed Batu, Napoleon and Hitler. An early presidential election next April should mark the first move out of the crisis. After that, IMF policy should be rejected and Russia's geopolitical role and equal information possibilities should be restored.

In conclusion, the deputies reported that communists had won at local elections in 90 percent of Russia's regions.

Collect Signatures for Early Elections

LD0209163794 Moscow INTERFAX in English 1611 GMT 1 Sep 94

[Text] The collecting of signatures in favor of early presidential elections in Russia is expected to endure 3 [illegible] into taking [illegible] steps, Deputy Chairman of the Central Executive Committee of the Communist Party of Russia Viktor Zorkaltsev told Interfax today.

As was earlier reported, the Communist leadership announced that from mid-September signatures in favor of early presidential elections and against extending the powers of lawmakers will be collected. The Communists leaders named the latest acceptable date for holding presidential elections in Russia as April 1995.

Zorkaltsev said he believes Communists will manage to collect several million signatures. He said all 20,000 branches of the Communist Party of Russia will participate (the Communist Party reports 600,000 members).

Due to the situation where only the president himself can call a referendum, in the absence of a law on referendum, Zorkaltsev said that the actors is aimed at influencing the president. "The president cannot ignore the will of millions of Russians and will decide to hold early elections," he added.

Zorkaltsev said he believes that the issue of extending the powers of lawmakers must be dropped so as to avert extra tensions.

Communists Relying on Regional Support

LD0209142494 Moscow ITAR-TASS in English 1127 GMT 1 Sep 94

[By ITAR-TASS correspondent Natalya Chernyakova]

[Text] St. Petersburg September 1 TASS—Gennadiy Zyuganov, the leader of the Russian Communist Party

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

and a member of the State Duma, is relying on binding support for his party on the regional level.

Ziuganov said his trips to cities and towns along the Volga, in central Russia, and in the north "have shown that the mood in the regions is undergoing a fundamental shift. People are losing their jobs and becoming convinced that government policy is bankrupt." In an exclusive interview with ITAR-TASS, he said that his party, the successor to the Communist Party of the Soviet Union, is counting on using the great creativity in the industrial sphere to get workers to rise and fight for their rights. He said the communists had begun collecting signatures in an effort to force President Yeltsin to move presidential elections up to April 1995.

Simultaneously with their attempts to gather support on the Russian regions, the communist leaders are working on a doctrine for the revival of a new Union. They have already reached agreement on that question with 14 communist parties in the former soviet republics, Ziuganov said.

CPRF Objects to Postponement of Elections

MEMO2967 ["Our Moscow SOVETSKAYA ROSSIYA in Russian" 7 Sep 94 p 1]

[Unattributed report under the general heading "CPRF Central Executive Committee News Conference": "For an Early Presidential Election"]

[Text] The Communist Party of the Russian Federation (CPRF) Central Executive Committee held a news conference in the capital's Parliamentary Center yesterday. G.A. Ziuganov read out a statement by the CPRF Central Executive Committee Presidium on programs connected with extending the powers of the Federal Assembly and changing the date of the Russian Federation presidential election (published below). The Communist Party is starting to collect signatures of citizens who oppose extending the powers of parliament and who favor an early presidential election. It is planned that the collecting of signatures, which will be preceded by the "All-Russia Party Meeting" [1-30 September], will last for three or four months.

The chairman of the Central Executive Committee substantiated the reason for this decision. It was pointed out, in particular, that every month that the country's present government stays in power sets Russia back two years. The economy is collapsing, and the people are getting poorer. In just one year 140,000 people died as the result of criminal actions—10 times more than during the 10-year war in Afghanistan. In these conditions it is blasphemous to raise the question of extending the powers of the president and of the representative power.

V.I. Zorkaltsev, deputy chairman of the CPRF Central Executive Committee, and A.A. Shabanov, leader of the Moscow City Communists Organization, who participated in the news conference, described how a nationwide referendum on the Communist Party's proposals will be held. The organizers of the news conference answered journalists' numerous questions and shared their views on the development of political events this fall.

Statement by the CPRF Central Executive Committee Presidium on Proposals Connected with Extending the Powers of the Federal Assembly and Changing the Date of the Russian Federation Presidential Election

Proposals to extend the powers of the Federal Assembly and to postpone the Russian Federation presidential election until a later date have recently been made repeatedly in the mass media and in speeches by leaders of the Russian Federation Federal Assembly. In this connection, the CPRF Central Executive Committee Presidium deems it necessary to declare that the said proposals are in direct contradiction with Russia's Constitution and with the basic principles of democracy and the rule-of-law state and infringe the legitimate rights and interests of millions of Russian voters.

As the most practical of the present organs of legislative and executive power in the Russian Federation shows, the sharp narrowing of the powers of parliament and its virtual lack of control over the president and the government have become one of the main reasons preventing the country's emergence from a very profound crisis. In the present situation only an early presidential election and the formation of a government of people's trust and of plenipotentiary local organs of state power can create the necessary conditions to prevent the historic disaster which threatens our people and the unity and integrity of the Russian state.

Mindful of this, the CPRF categorically objects to any actions aimed at extending the powers of the State Duma and the Federation Council and advocates that the Russian Federation presidential election be held no later than April 1995.

In accordance with the concluding and transitional provisions of the Russian Federation Constitution, the Federal Assembly must prepare a legislative base as quickly as possible for the holding of the next elections of the supreme representative organs of power and of the Russian president, as well as of representative and executive organs of power in the provinces.

The CPRF is starting to collect signatures of citizens who oppose extending the powers of parliament and who favor an early presidential election.

We appeal to voters and to all political parties and public movements to support these proposals, whose sole purpose is to save our fatherland and to form a state leadership which will be capable of leading the country out of the political and socioeconomic impasse. This alone can prevent society's further slide toward civil confrontation, avoid interethnic clashes, and preserve the unity and integrity of the Russian state.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report in original is prohibited without obtaining the permission of the copyright owner(s).

(Signed) Yuri CHEBAN, Central Executive Committee Presidium

Edict on Staff for Links With Parties, Bodies

AU0809130794 Moscow ROSSIYSKAYA GAZETA in Russian 17 Aug 94 First Edition p 4

[Russian President Edict No. 1724 "On the Presidential Staff Administration for Interaction With Political Parties, Public Associations, Factions, and Deputies of the Federal Assembly Chambers," signed by Russian Federation President B. Yeltsin and dated 23 August 1994 in the Kremlin, Moscow, followed by "Statute on the Presidential Staff Administration for Interaction With Political Parties, Public Associations, and Factions and Deputies of the Federal Assembly Chambers"]

[Text] Russian President Edict No. 1724 "On the Presidential Staff Administration for Interaction With Political Parties, Public Associations, Factions, and Deputies of the Federal Assembly Chambers"

For the purpose of ensuring prompt and comprehensive interaction between the president of the Russian Federation and political parties, public associations, and deputies of the Federal Assembly Federation Council and State Duma, I decree:

1. To form within the Russian President's Staff the Administration for Interaction With Political Parties, Public Associations, and Factions and Deputies of the Federal Assembly Chambers without increasing the number of workers of the Russian President's Staff.

2. To ratify the attached Statute on the Russian President's Staff Administration for Interaction With Political Parties, Public Associations, and Factions and Deputies of the Federal Assembly Chambers.

3. To appoint Andrey Viktorovich Logunov chief of the Russian President's Staff Administration for Interaction With Political Parties, Public Associations, and Factions and Deputies of the Federal Assembly Chambers and relieve him of his present duties.

4. The leader of the Russian President's Staff is to approve the structure and numerical strength of the Russian President's Staff Administration for Interaction With Political Parties, Public Associations, and Factions and Deputies of the Federal Assembly Chambers.

5. To abolish the following in the Russian President's Staff:

the Department for Interaction With Parties and Public Movements;

the Department for Interaction With Deputies of the Federal Assembly Federation Council and State Duma.

6. To regard the following as having lapsed:

the Russian President's Edict No. 360 of 21 March 1994 "On the Russian President's Staff Department for Interaction With Parties and Public Movements" (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII 1994, No. 13, p 987);

and the Russian President's Edict No. 1009 of 23 May 1994 "On the Russian President's Staff Department for Interaction With Deputies of the Federal Assembly Federation Council and State Duma" (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII 1994, no. 5, p. 399).

7. The present Edict shall go into force from the moment of its signing.

(signed) B. Yeltsin, president of the Russian Federation
The Kremlin, Moscow
23 August 1994
Edict No. 1724

Statute on the Presidential Staff Administration for Interaction With Political Parties, Public Associations, and Factions and Deputies of the Federal Assembly Chambers

1. The Russian President's Staff Administration for Interaction With Political Parties, Public Associations, and Factions and Deputies of the Federal Assembly Chambers (hereinafter known as the Administration) is a structural subdivision of the Russian President's Staff and is operationally subordinate to the Russian President's aide responsible for interaction with the Federal Assembly, political parties, and public associations.

2. The legal bases of the Administration's activity shall be the Constitution of the Russian Federation, the Laws of the Russian Federation, edicts and directives of the President of the Russian Federation, and the present Statute.

3. The main tasks of the Administration are:

to ensure and organize interaction between the Russian president and political parties, trade and creative unions, ethnic, women's, youth, and other public organizations and movements, religious faiths and their regional structures, and also deputies of the Federal Assembly Federation Council and State Duma and their associations;

to brief the Russian president and the leader of the Russian President's Staff on the main processes and events in sociopolitical life, the state of public opinion in the Russian Federation on the most important political questions, and also on the development of the parliamentary situation and on relations among factions and groups of deputies in the chambers of the Federal Assembly;

to elaborate and submit for the Russian president's examination proposals on improving interaction with

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

political parties, public associations, and also with labor unions, groups, and deputies of the Federal Assembly chambers;

to consult to political parties, public associations, and religious faiths the main provisions of the Russian president's policy and to clarify the rationale of and reasons for the subsequent of various decisions;

to explain to deputies of the Federal Assembly Federation Council and State Duma the expediency of the elaboration and submission of legislative initiatives by the Russian president;

and to interact with foreign parties, movements, political organizations, and cultural societies of fellow-countrymen living outside the Russian Federation.

4. The Administration's main functions are:

to collate and generalize the proposals and initiatives of political parties, public associations, and religious faiths and the opinions of their leaders on questions of the Russian president's policy and the activity of the Russian President's Staff;

to ascertain the political positions of the factions, groups, and individual deputies of the Federal Assembly Federation Council and State Duma and their attitude toward the Russian president's legislative strategy;

to analyze the political documents of political parties, public associations, and religious faiths and to forecast the development of political events from the viewpoint of the Russian president's interaction with them; to prepare corresponding expert materials on the aforementioned questions for the Russian president and the leader of the Russian President's Staff;

to submit for the Russian president's examination proposals on improving interaction with deputies of the Federal Assembly Federation Council and State Duma;

to elaborate and submit for the examination of the Russian President's Aide Service and the leader of the Russian President's Staff programs of measures involving the president of the Russian Federation and the leader of the Russian President's Staff to be conducted jointly with political parties, public associations, and religious faiths;

to coordinate activity with the Russian President's Aide Service and subdivisions of the Russian President's Staff and the Russian Government's Apparatus with regard to interaction with the political parties, public associations, and religious faiths as well as with deputies of the Federal Assembly chambers;

to conduct measures involving the Russian president and the leader of the Russian President's Staff and representatives of political parties, public associations, and religious faiths as well as deputies of the Federal Assembly chambers;

to provide backup for the activity of the Public Chamber and its organs, the Council for Cossack Affairs, and the Council for Youth Affairs under the Russian President;

on the instructions of the leader of the Russian President's Staff and representatives of the structural subdivisions of the Russian President's Staff, to consult on questions of interaction with the political parties, public associations, religious confessions, and deputies of the Federal Assembly chambers and their associations.

5. In order to perform its tasks the Administration shall have the right:

to request essential information and receive it in the prescribed manner from state organs, institutions, organizations, enterprises, political parties, public associations, and religious faiths;

to pass on the essential information in the prescribed manner to state organs, institutions, organizations, enterprises, political parties, public associations, and religious confessions;

to make use of the data banks of the Russian President's Staff and, in the prescribed manner, of the data banks of the federal executive organs and executive organs of the components of the Russian Federation;

to use the state communications systems, including the government communications systems;

to conduct official correspondence with state and nonstate organs and organizations on questions under the Administration's jurisdiction;

to organize conferences, consultations, roundtables, and other events with the participation of representatives of political parties, public associations, and religious faiths;

to recruit scientific establishments, scientists, and specialists of state and nonstate organs, establishments, organizations, and enterprises, including on a contractual basis, according to the plan to be approved by the leader of the Russian President's Staff.

6. Material-technical, legal, informational, and other backup for the Administration's activity shall be provided by the corresponding subdivisions of the Russian President's Staff.

The Administration shall be headed by a chief who shall be appointed and dismissed by the President of the Russian Federation.

8. The chief of the Administration directs the Administration's activity and is accountable for its results.

9. The chief of the Administration on:

presents the structure, numerical strength, and proposals for appointment of staffers of the Administration to the leader of the Russian President's Staff for the latter's approval;

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

approves provisions on the Administration's departments and official instructions of the Administration's workers;

signs official documentation within the limits of the Administration's competence;

sends Administration staffers on official assignments in the prescribed manner;

and recommends Administration staffers for incentives in the prescribed manner.

Filatov on Center-Regions Constitutional Issues

LD0209124194 Moscow ROSSIYSKIYE VESTI in Russian 31 Aug 94 pp 1-2

[Interview with Sergey Filatov by unidentified ROSSIYSKIYE VESTI correspondent; date, place not given: "Components of the Federation as Basic Constituents of Russia's Constitutional System: In Conversation With Your ROSSIYSKIYE VESTI Correspondent, Sergey Filatov, Reflects on the Problems of Relations Between Federal and Local Authorities"]

[Text] [ROSSIYSKIYE VESTI] Sergey Aleksandrovich! As far as we know, the August conference of Russian governors discussed problems that have been emerging during the adoption by Federation components of their own constitutions and charters [ustavy]. Could you elucidate these problems in more detail?

[Filatov] It is true that the central theme of the conference was an analysis of the process of the Federation components' definition of their own legal status.

The adoption of the Russian Federation Constitution in December 1993 has created a new constitutional sphere for legislation in Russian Federation republics, krays, oblasts, and autonomous okrugs. New constitutions have now been adopted in the republics of Bashkortostan, Buryatia, Dagestan, Ingushetia, Kalmykia, Komi, Karelia, Tatarstan, and Tyva. In krays, oblasts, and autonomous okrugs work on the charters is proceeding more slowly. Charters have been adopted only in individual oblasts. The others have, at best, drafts. This refers to Khabarovsk Kray, Belgorod, Vladimir, Vologda, Kaliningrad, Kostroma, Lipetsk, Perm, and Tomsk Oblasts and the Jewish Autonomous Oblast, and the Koryak and Chukotka Autonomous Okrugs. The fact that the constitutional process is proceeding at different rates in different components of the Federation is the first and most obvious of the problems.

Another problem is less tangible but more important—the existence of differences between the Russian Constitution and the basic legislative acts of Federation components.

Experts single out the following issues in which such differences arise:

—republic status;

—the operation of the Russian Federation Constitution and federal laws;

—demarcation of the jurisdiction and powers of the Russian Federation and its components;

—citizenship;

—the organization of a system of state power for the republics and local self-government;

—the rights of the individual and the citizen.

Problems of a state (ethnic-state [ethnogosudarstvennyy]) character, living in national-state formations are being given prominence. Yet human rights legislation is being elaborated less actively. This cannot fail to cause alarm. After all, in world practice, the rights of the individual have priority over the rights of all other subjects. This priority has been implemented in the current Russian Federation Constitution.

It is impossible to understand the sources and essence of this divergence if you are not aware of the political aims of constitutional legislation in a number of ethnic regions, and the legal resources with the help of which these aims are achieved, as well as the possible legal and political consequences which will ensue if the aims in question are fully achieved. As can be judged from political and legal trends, the aims are to consolidate the autonomy of the political and economic elites that have formed in the components of the Russian Federation on questions of the ownership and utilization of the property concentrated there and the disposal of budget resources. In this connection we cannot fail to see the aspiration of components to enshrine their special status and establish a special procedure for the operation of the Constitution and federal laws on their territory, and the "autonomous" organization of a system of the republics' organs of power. All kinds of violations of human rights and the rights of local self-government may be the consequence of national-radical forces come to power. Given this possibility, the Russian national movement is gathering strength as a response to it undoubtedly, it will try to exert an influence on the process of the elaboration and adoption of krai and oblast charters.

[ROSSIYSKIYE VESTI] Evidently, fairly flexible and subtle participation is required of the federal organs in the process of constitutional lawmaking in the components and in putting right certain distortions?

[Filatov] You are right. This primarily relates to questions of the constitutional status of republics of the Russian Federation.

Quite logically, in order to ensure the unity of statehood and the development of ethnic diversity, Article 5 of the Constitution stresses: "The federative structure of the Russian Federation is based on its state integrity, unity of the system of state power, demarcation of jurisdiction and powers between organs of state power of the Russian Federation and organs of state power of the components of the Russian Federation, and the equal rights and self-determination of peoples in the Russian Federation."

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Given this constitutional norm, it is not surprising that the republics acknowledge themselves to be components of the Russian Federation and that the majority of them do not lay claim to the role of autonomous subjects of international law. And this makes it possible to construct relations with them on the basis of the general law-statute principles enshrined in the Russian Federation Constitution and based on the reciprocal delegation of some of the constitutional rights of federal and republic organs of state power.

[RUSSEVSKAYA VESTI] But the mention of sovereignty in the Constitution of Tatarstan, for example, has not prevented Tatarstan from becoming aware of itself as part of the whole—that is, the Russian state—which has enabled it to formulate constitutional-treaty relations with the central organs?

[Filatov] And this is entirely reasonable. No matter how far we may be from the center and no matter what our nationality is, we are all Russians. Therefore, while maintaining our own entirely understandable enhanced local political or ethnic interests, we must relate carefully to the similar local features and interests of the numerous peoples living in other republics, krays, and oblasts in Russia.

I would like to stress that the example of Tatarstan has become infectious, in the best sense of the word.

The idea of the development of constitutional and treaty relations between federal organs of power and components of the Federation as regards the division of jurisdiction and powers has recently received recognition and has captured the interest of certain republics, krays, and oblasts. Apart from Bashkortostan and Kabardino-Balkaria, which have recently signed treaties with Russian federal organs, this primarily refers to North Ossetia, Krasnodar Krai, and Kaliningrad Oblast. In principle, this idea does not contravene the existing Russian Federation Constitution. Thus, in accordance with Article 11 Part 3 of the Russian Federation Constitution, the demarcation of jurisdiction and powers between central and regional organs of power "is implemented by the current Constitution, the Federation Treaty, and other treaties on the demarcation of jurisdiction and powers."

I think that one of the options for constitutional-treaty relations could be implemented with Chechnya too. Only after the formation of legitimate political authorities there, however.

[RUSSEVSKAYA VESTI] Sergey Aleksandrovich! We all understand that new statehood will not be formed overnight. It is not a magic wand. A constitutional norm is one thing—the direct emergence of statehood in the increased volume of rights of the Federation components is another. The interpretation of specific rights doubtless gives rise to a certain amount of friction between the regions and the center in the demarcation of jurisdiction and powers?

[Filatov] Such cases have been observed, and there was a big discussion about this at the conference. The most general trends are the aspiration of the republic elites to represent the powers of the Russian Federation as the sum of powers delegated by the components (this is notable, characteristic of the constitutions of Bashkortostan, Buryatia, Sakha, Tatarstan, and Tyva). However, the powers of the Russian Federation stem from its own sovereignty as a single, integral federative state, and they do not depend on the components.

Another problem is the aspiration of a number of republics to take on themselves the task of autonomously settling issues relating to the joint authority of the Russian Federation and Federation components. This is characteristic of the Komi Republic (where Article 62 of the republic Constitution invests the republic with the full principle of power going beyond the powers relating to the joint authority of the Russian Federation and its components), Bashkortostan and Sakha (in determining the republic's contributions to the federal budget), and Tyva (the republic is even assuming questions of defense and the creation of a customs service).

The majority of republics recognize the supremacy and binding nature of the operation of federal laws. However, the Constitution of Ingushetia proposes a procedure for the ratification of Russian Federation laws and acts (Article 60 Point 15), which contravenes Part 2 Article 4 of the Russian Federation Constitution. And the Constitution of Tyva (Article 2) contains a provision to the effect that in the event of contradictions between federal and republic legislation, republic legislation prevails (Part 2 Article 112). Sakha reserves the right to suspend on its territory the operation of Russian Federation laws and acts which contravene the Federation Treaty or to appeal against them in court (Article 42 Part 3 of the Constitution of Sakha). Such "constitutional" republic prerogatives are only capable of giving impetus to the disintegration processes on the territory of Russia itself.

As far as questions of the organization of a system of power are concerned, the greatest divergences are in the organization of a judicial system and prosecutor's office organs. Under Article 129 of the Russian Federation Constitution, the Russian Federation Prosecutor's Office comprises a single centralized system, and prosecutors of components are appointed by the general prosecutor of the Russian Federation in coordination with the Federation components. Nevertheless, the Constitutions of the Republics of Bashkortostan (Point 19 Article 88), Tatarstan (Point 19 Article 89), Tyva (Point 22 Article 98), and Chechnya (Point 4 Article 94) stipulate the appointment of republic prosecutors by their own legislative organs, which destroys the unity of the system, whose existence ensures a great degree of protection for the rights and interests of the citizens and the state, primarily in the sphere of combating crime and other violations of the law. In a word, there are significant deviations in the principles of the formation of a

This report contains information which is or may be copyrighted on a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Russian Federation judicial system and a system of prosecutor's oversight which require speedy elimination.

As local self-government develops and improves, problems emerge in combining its relations with the organs of power of the Federation components. Thus, according to the Russian Federation Constitution (Article 12), organs of local self-government are not part of the system of state power. However, this provision is contravened by the Constitutions of the Republics of Sakha (Article 83), Tatarstan (Article 2, Chapter 13), and Tyva (Point 13, Article 93). In the Bashkortostan Constitution (Articles 106 and 109) the system of local self-government is recognized only in raions and cities of republic jurisdiction.

[ROSSIYSKAYE VESTI] And what is the situation with the adoption by krays and oblasts of separate "constitutions" in the form of charters? Do they contain any deviations from the Basic Law of Russia?

[Filatov] Serious problems are also being discovered in the draft charters of krays and oblasts. Evidently because they were as a rule prepared by heads of administrations, the powers of local self-government are frequently infringed on them, thereby violating Article 133 of the Russian Federation Constitution. By and large, a lower level of thoroughness in constitutional norms is characteristic of the charters of krays, oblasts, and autonomous okrugs.

[ROSSIYSKAYE VESTI] Given the multitude of specific features distinguishing the components of the Federation, and their differing political orientation, I would like to get a picture of how the Russian regions settle questions of citizenship and language in their large and small local "constitutions."

[Filatov] This is possibly one of the most sensitive problems. A number of republics are establishing forms of obtaining Russian citizenship via republic citizenship (Tatarstan, Sakha) which contravenes the Russian Federation Constitution. This trend may undermine the single procedure for acquiring Russian citizenship which is clearly enshrined in Article 6 of the Russian Federation Constitution: "Russian Federation citizenship is acquired and discontinued in accordance with federal law, and is single and equal irrespective of the basis of its acquisition."

In Buryatia, Ingushetia, Kalmykia, Komi, and Sakha, two state languages are established—Russian and the relevant republic language. In Tyva, Russian is recognized as the federalwide state language. No violations of human rights in language terms are being observed.

The republic constitutions, as a rule, reproduce the Russian Federation Constitution chapter on the rights of the individual and the citizen or refer to it (Buryatia, Ingushetia, Kalmykia, Komi). In this sense there are guarantees of the observance of the rights of representatives of certain ethnic groups. However, the radical tendencies of ethnic movements in a number of republics are advocating priority not for human rights but for the rights of the "native," eponymous peoples. And this creates the danger of the possible violation of the rights of representatives of other ethnic groups, the destabilization of the political situation, and a deterioration in interethnic relations.

[ROSSIYSKAYE VESTI] Sergey Aleksandrovich! So, you can state that the federal power by tracking and promoting the development of the rights and powers of the Federation components and the determination of their legal status, is exposing obvious deviations and even violations of federal norms. So what mechanisms are used by the central power to ensure the tactful but unconditional compliance of the regions to rectify the deviations that have occurred?

[Filatov] You are right to stress the word "tactful." The point is that all of us, the central and regional powers, politicians, and statesmen, together with all citizens, are step by step giving meaning to the new formula of the Russian state. You have to bear in mind that in many republics the constitutions were adopted before the new Russian Federation Constitution, which factor requires a certain amount of delicacy in this process. The regional deviations frequently indicate inexperience and sometimes delusions, rather than ill intent on someone's part.

They must be helped tactfully, and suggestions must be made to them in a timely fashion about how best to rectify any exposed violation of the federal Constitution.

That is why we hold conferences and provide assistance to the regions in the form of individual consultations and advice.

We are analyzing our own miscalculations, which frequently lie at the heart of the mistakes in the localities.

Judging by the nature of the divergences between the Russian Federation Constitution and the constitutions and charters of the components of the Russian Federation, these can be brought into line with each other, but it will require painstaking and consistent work with the organs of power of each Federation component. Constitutional-legislative activity in the components is currently under the control of local elites, which by and large do not allow certain ideas enshrined in the constitutions and charters to develop in a dangerous direction. However, if more radical forces come to power there may be enough existing provisions or legislative acts to threaten the unity of the Russian Federation and the political and humanitarian rights of its citizens.

The federal center should speed up the elaboration of certain framework conditions for constitutional legislation in Russian Federation components. In this connection it is particularly important to speed up the elaboration of federal laws on the general principles of the organization of representative and executive organs of

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

state power in Russian Federation components, local self-government, and notably, the Russian Federation judicial system.

A model charter has now been drawn up which could become the matrix for constitutional legislation in the components. At the latest meeting of heads of administration there was some criticism of this document: there was a desire to simplify it, but people approved it in the main. Of course, this document can be revised and addendum, but it should be a kind of model, and then each Federation component can include in its content the features that are inherent in the region in question—natural, ethnic, production, border, and other features. Now, in coordination with the organs of power of the Russian Federation components, we must organize assistance to them in the preparation and expert appraisal of draft constitutions and charters. The Russian Federation Ministry of Justice and the State Legal Administration will take an active part in this work, and groups of experts from the Public Chamber under the Russian Federation President could be actively involved too.

In the near future we must conclude work on determining the circle of Russian Federation components interested in establishing constitutional relations with federal organs of power and sign the relevant treaties and agreements with them. We must not have a model for the said type of relations with all components, to push into them those components which are not interested or have not made up their minds.

In our political propaganda we should assess the unity of the constitutional space as a condition for civil peace and a precondition for the implementation of the Treaty on Civil Accord. I believe it would be useful to hold a sitting of the Public Chamber under the Russian Federation President on this question. On the basis of its results, it would be expedient to conduct group scientific-practical conferences in the major economic regions.

We must organize the federal-wide mass media and give systematic coverage to the positive experience of constitutional development in Russian Federation components.

Zhirinovskiy Hopeful for German Entry Visa

LD2609133594 Moscow ITAR-TASS in English 1311 GMT 2 Sep 94

[Text] Vladimir Zhirinovskiy, leader of the Liberal Democratic Party and LDPR faction in the State Duma, said he was hopeful that a German court would find in his favor concerning an entry visa to visit Germany. He told Interfax Thursday that Doctor Gerhard Frey, leader of the German Popular Union who had invited him to visit Germany, had lodged an appeal following the German Foreign Ministry's refusal to issue him a visa.

An LDPR spokesman Igor Zhukov explained that Zhirinovskiy was planning to visit Germany with a group of the faction's deputies on the invitation of deputies of Bremen's Landtag and Doctor Frey. However on August 12 the German Embassy in Moscow refused to issue an entry visa to the LDPR leader. The letter says that in accordance with German law no explanation for a refusal need be given.

Following the refusal, Aleksandr Vengerovskiy, a deputy speaker of the State Duma and a member of Zhirinovskiy's faction, sent a request to Russia's first deputy Foreign Ministers [as received] Igor Ivanov for assistance in resolving the issue. However, Zhukov said he had as yet heard nothing from the Foreign Ministry.

Zhirinovskiy said that the refusal to issue him an entry visa testified to what he called the "deficiency of democracy in the Federal Republic of Germany." He said he did not know how the Germans could speak of freedom of movement when they did not even allow an election victor into the country.

Media Issues

Leaders Agree to Press Chief's Resignation

LD2609101594 Moscow ITAR-TASS World Service in Russian 0941 GMT 2 Sep 94

[By ITAR-TASS correspondent Tamara Zamyatina]

[Text] Moscow, 2 Sept—A decision on the resignation of Boris Mironov, chairman of the Russian State Committee for the Press, was signed today by Russian Prime Minister Viktor Chernomyrdin. ITAR-TASS has learned from a reliable source in the Russian president's administration that Boris Yeltsin has given his consent to this resignation.

Chairman's Predecessor Views Exposed

MM0209095594 Moscow NOVAYA GAZETA in Russian 1 Sep 94 p 2

[Report by Sergey Kovalev: "Our Man in the Government"]

[Text] Last Monday there was a session of the Russian Federation Committee for the Press (Roskompechat) collegium. At the session Boris Mironov, the committee's chairman, suggested to his deputy, Sergey Grigoriyev, that he resign. In response Sergey Grigoriyev made a similar suggestion to his boss.

Boris Mironov did not conceal from the collegium members the reason why Sergey Grigoriyev has earned the displeasure of the Roskompechat chairman. The reason was that last week at Grigoriyev's instigation the Roskompechat sent notification of official warnings to three periodical publications—the newspapers CHAS PIK, NAVA SUENVA, ZA RUSSKUYE DELO and NARODNYY STROY. This step was caused by the fact that specific items in these publications violate article 4 of the Russian Federation law on the mass media, which bans the publication of items aimed at fueling national

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

intolerance and hatred. Incidentally, the newspaper [ZA RUSSKOYE DELO] has received its second official warning this year and thus, according to legislation, this could be grounds for a lawsuit to halt the publication's activity.

Actually, Russia's profascist newspapers do not tremble very much before the law. I was told by an employee of the St. Petersburg regional inspectorate for the protection of the freedom of the press and the mass media that it is virtually impossible to close down such publications. The courts do everything to avoid examining such cases. For instance, at the instigation of the St. Petersburg regional inspectorate the case involving the closure of the profascist newspaper NASHE OTECHESTVO has remained unexamined for six months now at the Moskovskiy Raion court of the city of three revolutions. The judges are ill... And the employees herself, after sending the material on the profascist issues to the St. Petersburg mass media to the law enforcement organs, is invited from time to time to the prosecutor's office and asked for written explanations.

According to the Roskompechat reports profascist publications are published with impunity in many parts of the country. In Moscow alone over 30 such newspapers are published, registered by the former Russian Press Ministry, not to mention those which are published underground here.

Actually, there is no cause to be particularly surprised since such publications are in all likelihood published with the tacit agreement of the Roskompechat. To convince that I shall cite just one fact. In September's issue of the newspaper RUSSKIYE VESTI Valeriy Vedernikov, its own correspondent in Orenburg, reported that Roskompechat Chairman Boris Mironov, who had come to the region to take part in the seminar "Power and the Press," had told local journalists that he is "a Russian nationalist and if Russian nationalism is fascism then I am a fascist."

So it is not surprising that Sergey Goryunov, Mironov's deputy, who holds diametrically opposite views of fascism, is a beam in the eye of the Roskompechat chairman.

Earth Shift Disrupts Communications Satellite

[AUTHOR] "Shift in Earth's Axis Causes Interruption in Transmission of Newspapers. This Happens Once in a 100 Years"]

[Text] Our newspaper's editorial office received a communication from the Russian Federation Ministry of Communications to the effect that there would be an interruption in the functioning of communications for the transmission of newspapers to Blagoveshchensk and Vladivostok because the satellite was passing through shadow areas. Since this would inevitably lead to a delay in the transmission of the newspapers, the Russian Ministry of Communications kindly suggested that we adjust the printing schedule "to take account of the shadow rules."

We readily agreed, but could not refrain from the natural desire to learn what caused the shift in the geostationary satellite's preplanned orbit. But apparently it had nothing to do with the satellite at all. It turned out that to everyone's—in particular the communications workers'—surprise, the Earth itself had shifted slightly, thus displacing the very areas covered by our satellite. Fortunately the ministry told us, this does not happen more than once in 100 years. Although we were disconcerted by the statement that "last time it was worse—the satellite was destroyed [razrushen] altogether."

ITAR-TASS Chief Interviewed on Anniversary

[AUTHOR] "ITAR-TASS Is Celebrating Its 80th Birthday Today. Vitaliy Ignatenko, Head of the Agency, Is Interviewed by Our Correspondent"]

[Interview with Vitaliy Ignatenko, head of the ITAR-TASS news agency, by unidentified correspondent, date and place not given: "KOMSOMOLSKAYA PRAVDA Is Authorized To Congratulate"]

[Text] A large banquet with a very guest list of [...34] journalists will be held tomorrow afternoon on the second floor of the comfortable ITAR-TASS building. The Russian news patriarch will be 80 years old.

It all started at the initiative of Petr Arkadyevich Stolypin with the SANKT-PETERBURGSKOYE TELEGRAFNOYE AGENTSTVO. Czar Nicholas then decided: "So be it!" There came ROSTA, TASS, and, more recently, ITAR-TASS.

There is no mention of the telegraph these days—it has been replaced by an in-house [sobstvennyy] satellite system. The agency now has 62 foreign correspondent centers (not counting the CIS countries), international prestige, a daily turnover of its own information equivalent to 700 newspaper pages, and an experienced leader in Vitaliy Ignatenko. A man who—all the more pleasantly for us—started out as a KOMSOMOLSKAYA PRAVDA journalist. We met with him on the eve of the anniversary.

[KOMSOMOLSKAYA PRAVDA] Where would you yourself place ITAR-TASS among the major news agencies of the world?

"We are firmly in second place," Vitaliy Nikitich stated with a smile.

[KOMSOMOLSKAYA PRAVDA] And who is in first?

[Ignatenko] There are very many agencies in first place. As there are in third, incidentally... [Ignatenko ends]

This joke was not prompted by the working standard of TASS journalists. Nobody has had any doubts about their great professionalism for a long time. But there

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report in general is prohibited without obtaining the permission of the copyright owner(s).

material position lags considerably behind the levels enjoyed by their foreign colleagues.

[Ignatenko] ITAR-TASS is by no means a poor organization. We earn $600,000-900,000 a month from our satellites alone. But our expenditure exceeds our income. And the staff wages fund comes last on the list. Our average salary—less than 150,000 rubles—would hardly attract a commercial journalist.

[KOMSOMOLSKAYA PRAVDA] Who would you say were the best ITAR-TASS journalists?

[Ignatenko] Our girls have the best positions. Above all, Galya Grishina—our correspondent in Tajikistan. She is working under incredibly difficult conditions. And, incidentally, your colleagues—be they in newspapers or on television—often "forget" to mention her name when they use Galina's information. There is also Tamara Zamyatina, Anna Melnikova, Lyudmila Aleksandrova, and Tamara Ivanova. And senior officers—in New York, Paris, and Tokyo.

[KOMSOMOLSKAYA PRAVDA] TASS uses to be the servant of the country's ruling elite. What are relations with the authorities like today? Who is helping the agency during these difficult times?

[Ignatenko] I would say that, above all, Chernomyrdin, Filatov, and Lukhkov are among the friends of TASS. These people have the most in-depth understanding of the importance of objective news for the country.

[KOMSOMOLSKAYA PRAVDA] What are your relations with the president like?

[Ignatenko] I would call them remarkable, because in the three years that I have been head of the agency, ITAR-TASS has experienced his constant support.

[KOMSOMOLSKAYA PRAVDA] Vitaly Nikolaich, if you were still working for KOMSOMOLSKAYA PRAVDA, how would you begin this congratulatory article?

[Ignatenko] I had a friend who used to say: "Esteemed journalists and TASS people! ... where he proposed a toast. I would like to meet with him today and show him our entire operation from the inside. But, to be serious, I would like to congratulate all my colleagues on the anniversary wholeheartedly and with great respect! [Ignatenko ends]

On this day KOMSOMOLSKAYA PRAVDA drafts its cap and congratulates all ITAR-TASS employees. Our newspaper contains some of your work too. Stay with us!

TASS News Agency Profiled

MM0109141194 Moscow IZVESTIYA in Russian 11 Sep 94 p 2

[Article by Bessa Ugrumova: "The Unknown TASS Is Authorized To State"]

[Text] Russia's leading news agency is 90 years old. It started operating in the country's capital 1 September 1904 as the St. Petersburg News Agency and was the historical predecessor of ITAR-TASS, which today is one of the world's leading news agencies, with a tiered correspondents network and communications system.

We know right from childhood that TASS is authorized to state. But few people know that an unknown TASS exists—a complex system of underground engineering and communications structures capable of ensuring the news agency's functioning in extreme conditions. One of these impressive structures is located 30 meters under downtown Moscow. Protected by an 11-meter layer of concrete, it is capable of withstanding a direct hit by a medium-size nuclear warhead.

Called Facility B in official TASS documents, it is the size of a large railway station with working premises, communications, and a full life-support system, including an air filtration system and an artesian well. Despite the fact that we no longer have to expect nuclear strikes from anywhere, the facility remains functional and top secret. Like another facility located 120 km from Moscow, incidentally. Unlike its Moscow colleagues, whose operating life is limited to 72 hours, the remote facility can function for an unlimited time.

Incidentally, annual exercises involving the management of Russia's state news agency in extreme conditions are held to this day. During these exercises a task group of TASS personnel headed by General Director Vitaliy Ignatenko travels to the remote facility and successfully simulates the creative process in conditions of a direct hit with a nuclear warhead by a now-hypothetical enemy. The quality of the TASS information under these circumstances, as people in the know maintain, is not inferior to the everyday information, and the mythical, hypothetical enemy in no way guesses that his nuclear charges have hit their target.

"We are children of our time," Yuriy Subbotin, deputy general director and chief of the ITAR-TASS Main Technical Administration, remarked philosophically, "and when these facilities were constructed there was clearly a need for them. But today our news agency categorically does not need them, particularly the Moscow facility."

According to Yuriy Subbotin, it is the secret facilities that most fire the imagination of ordinary residents, while the really unknown TASS is made up of unique communications systems and modern computer equipment which journalists and technical personnel of the Russian Telegraph News Agency use and work with.

In addition to the fact that ITAR-TASS today is one of the world's largest agencies, it is also the world's largest telecommunications system. Yuriy Subbotin maintains that TASS personnel are overtaking their Western colleagues in some components in terms of technological process quality.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Today ITAR-TASS has 74 branches and correspondents' centers in Russia and other CIS countries and 62 branches and correspondents' centers in countries far-flung afield. There are communications channels linked with the centralized TASS system in over 70 countries. The daily volume of information passing through ITAR-TASS channels is equal to approximately 500-700 newspaper pages. To ensure that the users of this system have the opportunity to work with the most modern technologies, the agency leases two geostationary satellites and two and a half years ago commissioned its own telegraph. Incidentally, one of the news agency's main sources of hard-currency income comes precisely from leasing out its own telecommunications lines.

The database stored in the news agency's head computers is also unique. Not only agency specialists but also numerous subscribers and other consumers of TASS information are able to use this unique information archive. They include not only representatives of the mass media but also state structures and representatives of big business. The latter include major U.S. oil companies engaged in prospecting for and drilling oil wells on the territory of Russia and other CIS countries.

All this brings in quite a lot of money, but the costs of operating the complex and ramified information network are tremendous too. Suffice it to say that more than 1,000 people are employed just to service TASS equipment.

TASS personnel recognize that, if it were not a state agency funded out of the treasury to the tune of approximately 30 percent, then the agency would simply cease to exist in its present form.

"The hardest years for the agency have been the past three years, when funding in the volume to which we were accustomed ceased and real competitors appeared in the market—INTERFAX, POSTFACTUM, and other agencies," Artem Polovnyants, chief of the ITAR-TASS Audiovisual Information Administration, said. "I admit there was a time when we faltered. But today our agency looks quite confidently to the future. By virtue of our reputable and balanced information we have been able to establish ourselves in the market and keep our subscribers. Moreover, despite the breakup of the Soviet Union, we have preserved a single information area on that territory. Today all the leading news agencies of the former union republics are connected to the ITAR-TASS information system and linked with us on contract relationships."

But tough competition and the demands of the market oblige TASS to invent ways and assimilate new technologies. A modern system of satellite antennas was recently commissioned in Moscow Oblast, and in September a channel for digital communications with the ITAR-TASS regional computer center in Tokyo will be started up—which will make it possible, inter alia, to transmit color photographs promptly. In the future such channels of communication with other regional computer centers—in New York, Paris, Vienna, and IAOS—will also appear.

There is another innovation, totally unexpected to many people, introduced by the service headed by Artem Polovnyants: a computer bank of modern Russian fine art. It is on laser compact disk. The disk contains a high-quality image of approximately 1,500 works by more than 1,000 of Russia's modern artists, as well as brief biographical information about them, about their participation in exhibitions, and about cooperation with galleries and museums, a list of the collections in which the works are to be found, a brief bibliography, and photographs of the artists.

The disk has been produced to a high professional standard and is designed for museums, exhibition galleries, research centers, and private collections. Despite the high price—$100—it is already in definite demand from professional consumers of such information, and TASS intends to implement several more such projects in the very near future.

The unknown TASS is emerging onto the surface out of the bunkers and catacombs of the times of nuclear confrontation and is preparing to hide no longer from the hypothetical enemy but to cooperate with real partners. It is authorized to state that it is celebrating its anniversary. We wish for our colleagues that they may remain Russia's most quoted news agency.

Government Endorses Draft Law on Advertising

LD2609172294 Moscow ITAR-TASS in English 1720 GMT 1 Sep 94

[By ITAR-TASS correspondent Gennadiy Tsyban]

[Text] Moscow September 1 TASS—The Russian Government on Thursday endorsed draft laws on advertising and on supplements to the criminal code envisaging responsibility for violating laws on advertising.

Advertising in Russia must be "honest, trustworthy and decent". This is the gist of the draft law submitted by Yuriy Danilov, deputy chairman of the Antimonopoly Committee, to a cabinet meeting on Thursday. The document sets a rigid framework for advertising. It specifically prohibits the advertising of goods and services whose quality is not certified. It prohibits the activity and advertisements of companies operating without licences, as well as subliminal advertising.

The Cabinet of Ministers suggested that the criminal code envisage responsibility for false advertising and for bypassing bans envisaged by the law on advertising. The circulation of false advertisements will entail the punishment of deprivation of freedom for a term of up to three years.

"It would be unwise to sharply reduce the volume of advertising in the media, as some suggest," Prime Minister Viktor Chernomyrdin said during the debate. Many

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

are addressed by large amounts of advertising, but it should be noted that advertising is a source of large funds directed to the budget of the mass media, including state-owned media. The cost of one minute of air time on TV for advertisers is up to 5.8 thousand dollars, Chernomyrdin said. The prime minister believes that first of all it is necessary to exert effort to ensure high quality and trustworthiness of advertising.

Special attention at the meeting was given to the discussion of the advertising of tobacco products and alcoholic beverages. The draft law envisages two ways of dealing with the problem: either prohibiting such advertising altogether or imposing definite restrictions on it. Although the overwhelming majority of speakers, including Health Minister Eduard Nechayev, declared for a ban on the advertising of tobacco and alcoholic beverages, the ultimate decision of the matter has been put off. The entire draft is to be perfected before being referred to the parliament.

Government Approves RODINA's Charter, Editors

[redacted]

[Russian Government Decree No. 694 "On the Editorial Board of the Journal RODINA" signed by Russian Federation Government Chairman V. Chernomyrdin and dated 30 July 1994, Moscow]

[Text] In accordance with the agreement of 21 July 1994 between the Government of the Russian Federation and the Russian Federation President's Staff on the joint exercise of the functions of founder of the journal RODINA, the Russian Federation Government decrees:

1. The new wording of the editorial charter of the journal RODINA (attached) adopted at a meeting of the journal's collective is to be confirmed. (Footnote) (The editorial charter of the journal RODINA is not published)

2. The draft agreement between the co-founders and the editorial board of the journal RODINA (attached) (Footnote) (Not cited) is to be approved. V.P. Kvasov, Russian Federation minister and leader of the Russian Government apparatus, is to be tasked with signing the agreement with the editorial board of the journal RODINA on behalf of the co-founders.

3. The Russian Federation Committee for the Press, on behalf of the co-founders, is to be tasked with ensuring the solution of questions relating to the re-registration of the journal RODINA and its production and publication.

4. The Russian Federation State Committee for the Management of State Property is to resolve by the prescribed procedure the question of allocating to the editorial board of the journal RODINA the administrative and production premises necessary for the production and publication of the journal RODINA.

5. Vladimir Petrovich Dolmatov is to be appointed chief editor of the journal RODINA, and Vitaliy Arkadyevich Avdeyenko is to be appointed first deputy chief editor of the journal RODINA.

Economic Issues

Text of Edict on Customs Payments

[redacted]

[Russian Federation presidential edict No. 1787 signed by President B. Yeltsin and dated 29 August 1994 "On Payment into the Federal Budget of Customs Duties Levied on Durable Goods"]

[Text] With a view to streamlining payments to the federal budget of duties levied in the course of the foreign economic activity of enterprises and organizations in the Russian Federation, I decree that:

1. All previously granted concessions on payments due to the federal budget when importing durable goods shall be abolished as of 1 September 1994.

2. The Russian Federation Government shall bring its decisions into line with Point 1 of this edict within one month.

3. The Russian Federation Ministry of Finance and the Russian Federation State Customs Committee shall define by 1 September 1994 and bring into operation a procedure envisaging the utilization of up to 50 percent of the additional funds received by the federal budget as a result of the implementation of Point 1 of this edict to ensure state support for the activity of the All-Russia Society of the Disabled, the All-Russia Society of the Blind, the All-Russia Society of the Deaf, and the All-Russia Afghan War Invalids Fund, as well as the implementation of a protectionist [protektsionistskiy] policy in the sphere of physical culture and sports.

4. This edict comes into force from the moment it is signed.

[Signed] Russian Federation President B. Yeltsin
[Dated] Moscow, the Kremlin, 29 August 1994
No. 1787

Commission Created for Payments Settlements

[redacted]

[Report by Vyacheslav Kostikov: "Most Painful Question Submitted for Examination by Government Operational Commission"]

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Text] The Russian Federation Government recently approved the Statute on the government's Operational Commission for the Improvement of the System of Payments and Settlements.

This is one of today's most acute problems. Enterprises are without financial assets, reciprocal debts are mounting, wages are not paid for months.

Obviously we cannot manage without state regulation. According to the statute the commission in question is a permanently operating organ. Its basic tasks are the examination of the reasons for nonpayments and the making of decisions on their elimination, the coordination of the activity of federal organs of executive power to strengthen payments and settlements discipline, the examination of drafts of general normative acts, the operational monitoring of the observance of Russian Federation legislation on questions of settlements and payments and insolvent enterprises, and others. All these questions must be resolved promptly.

The methods of the commission's activity are very diverse. They include analyzing the state of payments and settlements discipline, listening to the leaders of federal ministries and departments, examining proposals from components of the federation, and regularly informing the president and Russian Federation Government chairman of the state of payments and settlements discipline and the measures the commission is taking to strengthen it.

The commission's sphere of activity also includes the generalization of the practice of the use of legislation on the insolvency (bankruptcy) of enterprises and also proposals submitted within the established procedure for writing off insolvent federal state enterprises and either dissolving them or selling them.

To resolve the tasks assigned to the commission has the right to make proposals on organizational and cadres questions and to receive the necessary materials from the federal organs of executive power. The commission's decisions are binding.

But nonpayments have become so widespread and the threat has gone so deep that the actions of the Russian Federation Government's operational commission alone are obviously not enough.

That is why the Russian Federation Government decree published in yesterday's ROSSIYSKAYA GAZETA asks the Russian Federation components' organs of executive power to form similar operational commissions.

Ministry Claims Production Steady, Inflation Falling

[2 Sep 96] [signed to press] [Moscow ITAR-TASS in English 1030 GMT 2 Sep 96]

[Text] The volume of industrial production in Russia in August remained at the July level, inflation fell, its preliminary estimates, to less than 3% as against 5% over the two past months, INTERFAX was told by a spokesman for the Russian Economics Ministry.

By preliminary estimates, over the past eight months, the volume of industrial output was 5% against the same period last year. The output of oil is estimated at 202 million [metric] tonnes (1.5% less than the level of 1995), gas 402 billion cubic meters (2%), coal 182 million tonnes (11%).

In machine-building, the output of cars, buses, steam turbines in the food industry, the output of sausages, mayonnaise, mineral water remained practically at last year's level.

The record slump in the majority of industrial products is due to a reduction in demand. For example, the production of some items of consumer electronics—vacuum cleaners, radios, radio sets—fell by almost two-thirds, that of washing machines and motorcycles by 50%. As a result of growing imports, the production of vodka fell by a third against last year.

Experts forecast that in August the average wage in the country reached 720,000 rubles, an increase of 8% against July.

Foreign trade turnover was $46.6 billion for the first eight months, an increase of 9% as against the same period last year. Exports increased by 10%, up to $29.2 billion, imports by 6% (up to $17.3 billion).

Currency, Export Control Service Functions Broadened

[Unattributed report: "The Functions of the Currency and Export Control Service Have Been Expanded"]

[Text] The Russian Federation Government has made a decision to extend the functions of the Russian Federal Currency and Export Control Service. According to a resolution signed by Premier Viktor Chernomyrdin, the functions of the Russian Federation Economy Ministry related to ensuring the activity of the Export Control Commission under the Russian Federation Government are to be transferred to the Federal Service.

Commercial Banks Seen Attracting More Investment

[Unattributed report: "Commercial Banks Are Attracting More Investment" [signed to press] [Moscow ROSSIYSKAYA GAZETA in Russian 30 Aug 96 p 7]

[Report by Yuriy Rykov: "Citizens' Savings: What Are They Used For?"]

[Text] More Russians questioned by the "Public Opinion" foundation (47 percent) said that they do not need to protect their money from inflation. The reason? "We don't have any spare money left."

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Is that so? Against the background of the major scandal involving the "MMM" joint-stock company, in which millions of our fellow citizens had shares, this claim appears highly dubious. According to the results of the poll, the sociologists stated that 7 percent of respondents are buying dollars, 6 percent are entrusting their money to state savings banks, 5 percent are investing it in securities, 4 percent in their own businesses, and 3 percent in real estate.

But I think these figures are clearly understated. The increase in the amount of cash in the hands of the population certainly did slow down significantly in the first half of this year: from 12 percent in the same period last year to 5.8 percent. But there has been a sharp increase in expenditure on the acquisition of hard currency. According to Russian Central Bank data, in the first five months alone banks took in 11.8 trillion rubles [R] from the purchase and sale of foreign currency for citizens for cash. That was 11.6 percent of the population's monetary incomes. Another 7.5 percent went on topping up deposits.

But the interesting thing is that high interest rates have been bringing people's savings into commercial banks. According to the experts, the volume of investments in commercial banks by individuals increased approximately 13 times over between 1 July 1993 and 1 July 1994, with similar Savings Bank investments increasing only 5.3 times.

The conclusion is obvious. People's financial savings can serve as a powerful prop for the development of investment activity. If they are intelligently invested, of course. We urgently need a code of normative acts guaranteeing both the protection of citizens' savings invested in commercial structures and their beneficial use.

Central Bank Official Denies Monetary Reform Rumors

MM0209103194 Moscow KUBOK IZVESTIA ZHURNALA in Russian 7 Sep 94 p 2

[Report by Vladimir Kokorin: "Are We Changing Money Yet Again?"]

[Text] Reports of the start of new money are reaching us from various sources, both close to government circles and quite far removed from them.

What is this about? Are new bank notes being issued or is a monetary reform imminent? Or are these all rumors?

Your KUBOK IZVESTIA ZHURNALA correspondent put these questions to A. Voloin, leader of the Central Bank of Russia press serve. Here is what he said:

"Indeed the issue of new 50,000-ruble bank notes is expected in the very near future. They differ from the old ones in their improved protection system. Counterfeit money will now be expensive unless, of course, its producers want to end up behind bars immediately."

We are clear about the new bank notes. But what about the task of revaluing money? According to A. Voloin, devaluations will not take place until prices are stabilized and not for a short time but for a long time, lasting two to three years, for example.

In our view this is not an entirely convincing argument. Devaluation of money could be useful for women. Prices already contain several obviously redundant noughts which, of course, there is some point in getting rid of only to simplify accounting. Especially as the stabilization of prices is not to be seen even in the middle term.

In this connection it is obvious that we cannot rule out more serious measures in the sphere of money circulation than the simple replacement of our bank note. It is also true that until the economy is stabilized there will be grounds for all kinds of speculation and rumors.

Finance Ministry Proposes Tax Changes

LD2009154694 Moscow INTERFAX in English 1351 GMT 7 Sep 94

[Text] The Russian Finance Ministry has proposed to change the present tax rates. It plans to lower value added tax (VAT) and profit tax and in the same time raise income and property taxes, the ministry told the Financial Information Agency.

The same source said that it was proposed that from 1995 profit tax will make up 12% of taxes due to the federal budget and not more than 22% due to local budgets. For banks, exchanges and insurance companies the tax should not be more than 30%. Currently these figures are 13% and 25% respectively.

VAT is proposed to be lowered to 10%. However, this may affect only such vital food products as bread, meat, sugar, vegetables, etc. It was also proposed to shorten the register of goods on which duties are imposed by excluding from it cars and vans, fine wines, fur products, leather clothes and other goods.

At the same time, the Russian Finance Ministry proposed to increase income tax and give benefits to people on low incomes while raising the tax rate on high incomes. In particular, the maximum income tax on especially high incomes is proposed to be 40

instead of the present 30.

The Finance Ministry also proposed to introduce a new 3% federal tax on incomes and a tax on bank accounts which could be up to 20%. In addition, the Finance Ministry considers it necessary to raise the tax on property of enterprises from 2% to 3%.

The Finance Ministry said that it will transfer its proposals to the State Duma before September 15.

Sanctions Against Regulations-Breaching Commercial Banks

LD0609161194 Moscow ROSSIYSKAYA GAZETA in Russian 7 Sep 94 First Edition p 7

[BIZNES-TASS report: "160 Banks Breaching Regulations"]

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Text] As of August sanctions for the violation of compulsory economic normatives had been applied against 18.3 of the more than 600 banks operating in the Russian capital. BIZNES-TASS was told this yesterday by the Central Bank of Russia's Main Administration for Moscow. Press Service.

These normatives, observation of which is required under existing banking legislation to protect the interests of clients and depositors, constitute a system of economic indicators demonstrating the financial state of various lending institutions and, consequently, breaches of them attest to a certain unreliability of a bank's operations.

The Central Bank main administration is concerned about this situation and has been forced to take measures to influence the banks breaching the regulations so as to make them normalize their financial indicators. In particular, the proportions of funds attracted by the bank to be paid into the Compulsory Reserve Fund will be increased for banks that are fined. The money held in this fund belongs to the bank but cannot be used by it and is thus viewed, as it were, as a kind of guarantee that the bank would at least partly repay depositors and clients in the event of its failure. The Compulsory Reserve Fund requirement is increased by 0.5 percent for each violation of a normative.

"Leaders" among the banks breaching the regulations and for which increased Compulsory Reserve Fund requirements have been set for some time now are the following: 35 banks: "Admiral-Bank," "Arbitazh," "AMBI," "Atlant," "Bankirkhaus," "Bitsbank," "Vozrozhdeniye," "Vneshtorgbank," "Gorkhlebbank," "Gradobankirskiy Bank," "Dvoryanskiy Bank," "Dzerzhbank," "Donskoybank," "Izdat-Bank," "Interinvest," "Kardbank," "Kiyan," "Kommerkbank," "Kredit-Kommerts," "Kuperts-Bank," "Logis," "Moskov Sinerma," "Nomos," "Progressbank," "Revers," "Rosinterbank," "RUSSKI-Bank," "Slavyanka," "Sotrafikbank," "Transkreditbank," "Tavrich," "Khrolding-Trestbank," "Khristianskiy Rossiyskiy Bank," "Everest-Bank," and "Elektrogorskbank."

Monopoly Watchdog Seeks Economic 'Democracy'

AMI9409C[Text] Moscow ROSSIYSKAYA GAZETA in Russian 17 Aug 94 First Edition pp 1-2

[Article by Sergey Parasenko, incorporating interview with Leonid Bochin, chairman of the State Committee for Antimonopoly Policy and Support of the New Economic Structures, date and place not given, under the rubric "Man at the Top": "Competition and Democracy Are Two Sides of the Same Coin"]

[Text] Can there be anything more desperate than the fight against monopolistic practices in an economy where there is nothing but monopolies, or the fight for consumers' rights in a society where the seller is always right, or support for enterprise in an environment which, to put it mildly, is unfriendly to enterprise?

Nevertheless, those are the three tasks facing the government organ conventionally known as the Antimonopoly Committee and its chairman, Leonid Arnoldovich Bochin.

The State Committee for Antimonopoly Policy and Support of the New Economic Structures was one of the first of the "new wave" of government institutions to emerge in 1990. Unlike a number of others, however, it had the good fortune not just to survive but also to prove its practical importance. In Leonid Bochin's opinion, this was due to the fact that "for the first time" antimonopoly policy "went beyond" the preparation of "laws of an abstract character" which, despite containing a host of good ideas, lacked the most important element—that is responsibility for their implementation—and moved toward a law in which "a specific central executive organ of power had responsibility for its implementation."

Here is the result. "We have examined around 20,000 violations of the antimonopoly legislation since the Antimonopoly Committee came into being," L. Bochin said. "But when the Russian Law on the Protection of Consumers' Rights was published, the figures became more impressive. Last year 16,000 cases were examined. This year the trend is upward. Hundreds of thousand of rubles have been refunded directly to the consumer. There are striking results as far as our colleagues are concerned, both in the countries currently in transition and in the CIS, and in the world as a whole they are unprecedented in scale and achievement."

One of the main successes, according to L. Bochin, was the adoption on 9 March this year of the Federal Demonopolization Program, which "set the ball rolling." There are 41 amendments to the antimonopoly legislation based on accumulated experience. First of all, responsibility was increased for the quality and level of output and services of enterprises occupying a monopoly position in the market. Another group of amendments was designed to increase monitoring of the buying up of shares to prevent a reduction in the number of independent enterprises.

L. Bochin considers the law on natural monopolies "epoch-making."

"We managed to convince both the government and our colleagues in the ministries and departments," he said, "that there are three sectors in the Russian economy. In one of them—the commercial sphere, primarily retail trade, banking, and commercial brokerage—competition is still in its infancy, it is still weak.

"There are spheres of the economy," he went on, "which still have so-called temporary permitted monopolies, whether in the military-industrial complex, machine building, or metallurgy. But we could use the open

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

contacts and the system of regulation via the state's customs and tariff policy to counteract and limit the abuse of their monopoly position.

"Finally, the third sector of the economy is that of the natural monopolies. That sector where demonopolization is ineffective and impossible. Sewerage, water supplies, pipeline transport and rail transport.

"Such a sphere exists in the economies of all countries around the world. And it is constantly regulated. Everyday."

As L. Bochin acknowledges, "this was the most difficult draft law in my experience because there was a clash of interests here involving powerful and important departments: the Railways Ministry, the Communications Ministry, and the Ministry of Fuel and Energy. And there were other ministries which did not want to be externally restricted by the law."

However, the fight against monopolists and monopoly practices must not be waged in a way contrary to common sense. Leonid Bochin explains. "Suppose there is a monopoly enterprise which exports all its output outside the Russian Federation. It presents no threat to us as Russian consumers. Or, conversely, suppose that formally speaking an enterprise's share of production in the federal market is impressively large but fairly advantageous import duties enable quite a considerable amount of foreign products of comparable or superior quality output into that market. It is necessary to adopt regulatory measures if the producer himself is already experiencing great pressure from his competitors."

"Here is another example. We now have several hundred aviation companies which have done nothing but harm the consumer. In other words, we have reduced the system of fragmentation to one of utter disintegration and now, paradoxical as it may seem, it is the program of demonopolization which envisages measures of an integrationist character intended to create several national companies able to withstand the competition of foreign experience and foreign conditions and, at the same time, provide the Russian customer with choice."

The Antimonopoly Committee, probably more often than anyone else, has to hear accusations of a lack of patriotism and an unwillingness to protect the Russian producer. But, as L. Bochin believes, such a view is incorrect because the main here is rather one of the means and method that the state uses to protect this country's capital. He explained what that means using the example of the well-known episode of the introduction of higher import duty on cars.

"We have various companies—GAZ, VAZ, KamAZ. They produce different types of vehicle at different prices and with a different range of customer options. Let us take the Zhiguli for example.

"There is a certain class of import which can compete with it. The only question is: How much time will the state allow for the AvtoVAZ association to become competitive? One year, 18 months, four years?—You analyze the situation and work out that in an open economy AvtoVAZ cannot survive right away without a major increase in investments and so forth. Simply raising customs duties makes no sense, because that will only hit the customer's pocket.

"Here is how I see the elaboration of this model. Either you protect Russian commodity producers or you reject the idea of protection as such. But this must be done in a very serious way.

"Nevertheless, no matter how inventive the Antimonopoly Committee is attempting to build a civilized market using only the enterprises that already exist is like building Tsarist the cobbler's house using only a few bricks—there is no room to swing a cat in it."

The Antimonopoly Committee has prepared a draft law on state support for small business, which is ready for its first reading in the State Duma. "It seems to me," L. Bochin said, "that this law should identify what in commercial language is called the minimum range of support which the state, the municipal authorities, the regional authorities, and the components of the federation should give to small business. Unless we create a substantial number of small enterprises we will not resolve several tasks. The first is monopoly supply. The second task that small business must resolve is to use state support measures to develop the service sphere as extensively as possible, because it is underdeveloped in our country. The third task is connected with the fact that small business is the main supplier to the most dynamic forms of entrepreneurial activity which could make a substantial contribution to increasing GDP."

The adoption of a law on small business followed by a whole range of laws in the small business sphere could help considerably to break the deadlock in this problem, L. Bochin believes.

Ultimately, the point of all these efforts is the same. It is that the Russian economy must stop regarding the ordinary consumer as a collector of old scrap and look on him more benignly. If this does not happen voluntarily, the State Committee for Antimonopoly Policy and Support of the New Economic Structures and L. Bochin personally will see to it that the Russian customer is accorded respect—the law on amendments and addenda to the Law on the Protection of Consumers' Rights will help them. "More than two years of practical experience have shown the strong and weak aspects of the old law on the protection of consumers' rights," L. Bochin believes. "Changes to it have been approved by the government and are now being prepared by the Duma. Meanwhile, in those parts of Russia where a fairly powerful system of consumer rights protection is being or already has been set up in the form of appropriate departments and where citizens are not afraid to come forward and appeal to those departments for help, the multiplying effect on lawbreakers and producers is magical."

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

"We constantly talk a lot about democracy," L. Bochin noted in conclusion. "Democracy in the economy means the possibility of voting with your rubles to decide which producer will be in the market and which will not."

Finance Commission Functions Seen as Too Broad

MK1109112794 Moscow SEGODNYA in Russian 11 Sep 94 p 1

[Aleksey Korpichnikov report based on ITAR-TASS materials in the "Duties" column: "Oleg Soskovets Will Head a Commission on Banks and Financial Activity. And Also on Enhancing, Upgrading, Consolidating, Reducing, Increasing, Developing, Using, and Involving"]

[Text] The scope of responsibilities of First Vice Premier Oleg Soskovets is likely to be expanded. Boris Yeltsin is proposing Soskovets' candidacy for the post of chairman of a government commission on banks and financial activity. True, the commission itself is as yet nonexistent. The president has just tasked the Cabinet with examining the expediency of its creation. Yeltsin has ordered the following to be the commission's main tasks: "Enhancing the effectiveness of using budget funds and credit resources, upgrading the system of payments and settlements, consolidating the financial and credit system, reducing production decline and increasing investment in the basic industrial sectors, development of inter-regional cooperation and ensuring maximum use of the regions' potentials and involving large banking and financial structures in implementing economic policy," also stating that the main members of the commission should be representatives of his (presidential) staff, federal bodies of the executive power, and Federation components, as well as industrial and financial structures.

Because presidential orders are usually executed in Moscow, congratulations may apparently be expressed to Soskovets on yet another post assigned to him and condolences expressed to representatives of the administration and executive power bodies who have not become commission members, because if the commission assumes all the functions declined, it is not clear what the remaining authorities will be doing.

State Support for Collective Farming Urged

MK0109071194 Moscow IZVESTIYA in Russian 1 Sep 94 p 1

[PUNKT AKTUM report: "Fair Advocates Preservation of Kolkhozes"]

[Text] "Only large collective farms can supply Russia with food," Vladimir Rashmachnikov, president of the Association of Russian Peasant and Private Farms and Agricultural Cooperatives, has stated. Therefore the state should support the kolkhozes, he said, addressing a "roundtable" of Russian private farmers within the framework of the "Russian Farmer '94" International Fair in St. Petersburg.

His view was shared by other participants in the debate, one of whom recalled that more than 20,000 private farmers in Russia have already gone bankrupt and that the process is continuing.

Zaveryukha Hit Over Farm Debt Crisis

MK0109110194 Moscow ROSSIYSKAYA GAZETA in Russian 1 Sep 94 First Edition p 1

[Report by Aleksandr Gavrilov: "Rotating Unpaid Debts"]

[Text] It is not additional milk yields or quintals per hectare that worry peasants now. Money, credit, interest rates, and debts are what are being discussed at all meetings of agrarian workers without exception.

According to the Ministry of Agriculture and Food, peasants are currently owed around 6 trillion rubles [R]. This means that dairies, meat combines, trading outlets, consumers "in the north," and many others besides owe the countryside money for the produce it has grown and, as a rule, has already sold. Government deputy chairman Aleksandr Zaverykha cited as an example the fact that Moscow owed bakeries money for bread while they in turn owed peasants around R40 billion. In this situation the question of where the money is to be found is purely rhetorical. There is no means of obtaining it.

Nevertheless the state has paid the peasants—admittedly very tardily—for last year's grain. According to Aleksandr Zaverykha, the last debts were repaid in June.

Do the peasants' debts of R6 trillion constitute a large or a small sum? Let me cite just one figure in order to shed light on this. This year all Russia's agriculture will produce gross output worth around R60 trillion. So the size of the debt looks colossal. You would have thought that the budget, created with the active participation of the agrarian faction in the State Duma, would have promised or at any rate should have promised fixed injections of cash into the agro-industrial complex.

Regrettably, the hopes were not destined to be realized. The agriculture budget has to date only been 22-percent implemented. In the past eight months peasants have received around R1 trillion of the budgeted R8-9 trillion. In other words, veterinary services and crop protection services have found themselves without cash. Land reclamation work has effectively been suspended, and higher and secondary educational establishments have no monies. In short, whatever item of expenditure you may take, underpayment is the rule everywhere. Yet we are talking about approved budget funding. What is the agricultural commodity producer to do in this situation, regardless of whether he is a private farmer, a kolkhoz member, a joint-stock holder, or a director of some other

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

form of economic activity, everyone has to plow and sow, buy seed, and repair equipment.

The following question arises: Where is the peasant to turn?

To the bank, of course, for credit. But credit will only be provided at the crippling rate of 213 percent. So it looks as though they take credit this year, add to that the interest on last year's loans, and the upshot is that the peasants owe the people from whom they get fuel, equipment, and fertilizers over R15 trillion. Who can repay that kind of astronomical amount of money? I think that, as happened under the Soviet authorities, these debts will be happily written off. I would like to stipulate that we are talking about strong collective and private farms, the weak ones having already disappeared or about to do so in the near future. Support for them means shortchanging the middling and strong farms, and the country does not have the potential to do that. The coffers are empty, mainly because enterprises—including enterprises engaged in agricultural machinebuilding and mineral fertilizer production—are not paying taxes. And they are not paying up because they are standing idle because peasants do not have the money to buy their output.

Contemplating the debt situation that has arisen in the agro-industrial complex, one cannot help remembering the story of the man who lived a comfortable life on a small income. When asked where he got his money, he said that he got it from the bedside cabinet where his wife put it, while he in turn gave her money after first taking it out of the cabinet. That is, a kind of chain can be traced. Vladimir Shcherbak, first deputy minister of agriculture and food, believes that if the peasants have the state's support this chain will start to work. The peasants will produce grain, meat, and milk, sell them, and buy equipment, fertilizers, and much else besides. Consequently plants producing these things will start to work, the raw material base will liven up, and there will be someone to tax. It is necessary to embark on reasonable provision of credit. In this way, in his view, all of industry can be straightened out. At the moment late payments are cooling the agro-industrial complex too much, and the situation in agriculture is continuing to deteriorate—the level of production compared with last year has dropped by 25 percent.

The situation is aggravated by the fact that the monolith often known as the "agrarian lobby" that recently seemed unshakable has shown signs of cracking.

The point is that at last week's rural assembly and the subsequent press conference Agrarian Party Chairman Mikhail Lapshin directed unexpectedly harsh criticism at Aleksandr Zaveryukha. He believes that the vice premier has exhausted his potential and is coming up with no new ideas regarding the reform of agriculture; instead of working he is fussing over extorting money and has cut himself off from real life—in a word Aleksandr Zaveryukha has not passed the test of government. And as a result delegates to the peasant assembly ignored his invitation for a talk. The vice premier spent 40 minutes waiting for them in vain.

Nor did Aleksandr Zaveryukha leave this unanswered, calling the assembly's organizers extremists without an economic solution. In his view the leader of the Agrarian Party is motivated not by a desire to defend the Russian countryside but by his own lust for power. There is already information that both sides have begun to hunt out compromising material. So we may possibly witness sensational disclosures shortly. All this will undoubtedly amuse the public.

Ag. Crop Status Report, Sep Forecast

MK0109014094 Moscow SELSKAYA ZHIZN in Russian 1 Sep 94 p 6

[Agrometeorological forecast by Tamara Maksimenkova, chief agrometeorologist at the agrometeorological forecasting section of the Russian Hydrometeorology Center: "We Will Be Able To Harvest and Sow"]

[Text] The first half of August was warm over most of Russia's European territory. The average air temperature in that period was 3-5 degrees above normal on most days. The maximum temperature in the south-western half of the European territory was 30-36, in the northeast—25-29, and it was only in the Urals that it failed to rise above 23-24 degrees. On most nights the minimum temperature did not go below 12-17 degrees. Conditions for the growth and development of agricultural crops were favorable during this period. Only in the North Caucasus Region and in the south of the Volga Region, because of heat and drought, reserves of productive moisture were insufficient. Conditions for the growth and development of corn, sunflowers, sugar beet, and other crops were poor.

In the second half of the month it became cooler everywhere. The average air temperature was 3-5 degrees below normal almost everywhere. In the Northwestern Region and in the north of the Central, Volga-Vyatka, and Ural Regions the minimum temperature fell to between zero and plus 4, and in places frosts (down to minus 2) have already been observed on the soil surface and at a height of 2 cm, which is earlier than the average earliest date of frosts. Conditions for growth and crop development in late crops deteriorated.

Over most of the northern half of Russia's European territory there was heavy rain, with wind and hail in places. The largest quantity of precipitation (31-90 mm or more, which is 1.5-2.5 times higher than normal) was observed at a number of places in the Northwestern, Central, and Central Chernozem Regions, and also in places in the north of the Volga-Vyatka, Ural, and Volga Regions.

At the end of the month, in the North Caucasus there was virtually no precipitation, or not more than 5-10

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

mm. Conditions for late crops were indifferent, because of the shortage of moisture. By the end of the month, over most of the North Caucasus territory the corn had reached the stage of wax ripeness. Because of the hot dry weather, the plants were suffering a shortage of moisture. The cobs that had formed on the corn were small, with only half the normal number of grains. Some farms hurried to harvest the "queen of the fields" early for silage. The growth of sugar beet roots was also taking place with only poor reserves of moisture in the top meter of soil (less than 40 mm of productive moisture). The temperature at a depth of 10 cm reached 26-28 degrees. Yellowing of the lower leaves was observed everywhere. Root growth was slow (less than 20 grams in 10 days), reaching 60-70 grams over 10 days only on irrigated plots. However, the sunny weather promoted sugar accumulation. Conditions for the completion of sunflower ripening were also poor here. Conditions for harvesting operations were good almost throughout the month. By the end of the month not more than 30 percent of the area sown with grain crops had been cut and threshed. Conditions for preparing the soil for the sowing of winter crops were unfavorable for most of the month due to the dryness of the top layer of soil.

On the remaining territory of the European part of Russia in August, winter grain crops were ripening on dates close to normal. The ripening of early spring grain crops is occurring 7-10 days later than normal, and in the Ural Region 10-12 days later than normal.

The full ripening of grain, especially in the Nonchernozem Zone, was delayed in the second half of the month by cool, rainy weather.

In many regions plants are suffering lodging and damage due to surplus soil moisture, rain and wind. This will make the harvesting more difficult. The growth of potato tubers in August over most of the European territory was satisfactory. But in the second half of the month in the Northwestern, Central, Volga-Vyatka, and Ural Regions the growth of tubers was reduced by 15-20 days due to phytophthora.

In the second half of the month in the northern half of the European territory of Russia the conditions for harvesting deteriorated somewhat.

The optimum time for sowing winter grain crops comes in August over most of Russia's territory. This year the conditions for seed germination and the appearance and development of shoots of winter crops are good over most of the territory. There is sufficient productive moisture in the topsoil.

In the farming regions of Siberia in August conditions for grain formation in spring wheat were favorable. But because of the unfavorable weather conditions in June-July, the number of grains per ear is below normal. By the end of the month spring wheat was at the stage of wax or full ripeness almost everywhere. However, ripening is taking place unevenly. Conditions for the sowing of winter grain crops and the emergence and development of shoots are favorable.

According to the Hydrometeorology Center's data, opportunities for harvesting work over most of Russia's territory in September are expected to be entirely satisfactory. On the territory of the North Caucasus Region and in the Lower Volga, where the optimum time for sowing winter grain crops is in September, the preparation of soil for sowings will be more difficult because of the dryness of the top layer of soil. There will also not be enough moisture here for the emergence and development of shoots of winter crops. Over the rest of Russia's territory conditions for the growth and development of winter crops in September are expected to be mainly good and satisfactory.

Late Aug Inflation Figures Assessed

MM0109104194 Moscow ROSSIYSKAYA GAZETA in Russian 31 Aug 94 First Edition p 2

[Report "Based on figures from the Russian Federation Government Center for the Economic Situation" followed by "Our Commentary" by Vladimir Kuchereniuk: "The Week's Prices, 24-31 August. Inflation Switches to Sluggish Form. For Long?"]

[Text] According to federal statistics organs, last week the overall inflation index stood at 101 percent, 103 percent since the beginning of the month, and 200 percent since the beginning of the year. At the same time prices of basic foodstuffs and nonfood goods rose slightly more slowly than tariffs for paid services.

Last week the level of inflation (1 percent) was slightly higher than its average weekly value during the previous few days in August (0.9 percent). Leaving aside the effect of the seasonal reduction in the prices of fruit and vegetables, estimated inflation will be equivalent to 1.6 percent (5.3 percent since the beginning of the month). Following a three-week stabilization, average prices of basic foods on the whole rose 0.7 percent in the period 16 through 23 August, while prices of nonfood goods and paid consumer services rose by 1 percent and 2.4 percent respectively.

The difference between economic regions in terms of the dynamics of consumer prices was negligible—1.3 percentage points. The greatest change in the price of basic consumer goods and services was recorded in the West Siberian and Far Eastern Regions (up 1.7 percent and 1.6 percent), where tariffs for paid consumer services rose the most in Russia (up 4.2 percent and 3.1 percent respectively). What is more, the biggest rise in the price of nonfood goods was recorded in the West Siberian Region (up 2.5 percent). While consumer prices rose by just 0.3 percent in the cities of the Volga Region last week.

In Moscow and St. Petersburg prices of consumer goods and services rose 0.7 percent and 0.6 percent respectively over the week.

This report contains information which is or may be copyrighted on a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

The rise in the price of basic foodstuffs on the whole stood at 0.7 percent (1.9 percent excluding fruit and vegetables), and 0.4 percent since the beginning of the month (5.5 percent). At the same time, whereas the price of food at organized trading outlets rose by 2.1 percent over the week (1.9 percent excluding fruit and vegetables), prices at city and informal markets were on average 7 percent lower than a week ago (but up 1.3 percent excluding fruit and vegetables).

The difference between economic regions stood at 1.3 percentage points. In the North Caucasus the price of food rose by 2.5 percent, while in the Northern, Volga-Vyatka, and East Siberian Regions the figure was roughly 1 percent. In the other regions food prices remained virtually unchanged.

For the second week in a row the cost of the basket of 19 most important foods dropped. As of 23 August the average cost of it was 62,400 rubles [R] per month, 1.2 percent down on last week's level. In the last two weeks the price of the basket of goods has dropped R1,276. (The basket of goods has doubled in price since the beginning of the year.) The cost of this basket of goods at organized trade prices was R60,400, and R76,100 at unorganized trade prices.

The gap between the maximum and minimum cost of the basket of goods in various cities of Russia dropped compared with the previous week from 4.7 times to 4.1 times. The Far East still holds the "lead." Russia's most "costly" city is still Magadan, at R174,600. It is followed by Yuzhno-Sakhalinsk (R154,500), Yakutsk (151,200), Petropavlovsk-Kamchatskiy (R131,900), and Nakhodka (R120,200). Ulyanovsk was once again the "cheapest" (R37,300). In 65 percent of Russia's surveyed cities the price of the basket of goods did not rise in the past week. But in Likhta and Ukhta the basket of goods rose in price by over 10 percent.

The cost of the "minimum basket" in Moscow and St. Petersburg did not change over the week and remained at R70,400 and R65,900 respectively as of 23 August. At the same time Moscow rose to 31st place and St. Petersburg has moved from 41st to 38th place.

The change in the price of these goods was equal to the average weekly value in June and July (1 percent). Prices of matches and wallpaper rose by 3 percent and 4 percent respectively. The price of children's wear and knitted goods rose by 2.3 percent, while the price of tobacco goods was up 2 percent. The price of silk fabrics, household electrical goods, and fuel did not rise.

Prices rose most in the West Siberian Region—up 2.5 percent. Industrial goods in the East Siberian, Far Eastern, and Volga Regions were sold at virtually last week's prices. Once again the Far Eastern Region holds the lead here. One-third of the nonfood goods in its cities are on sale at Russia's highest prices.

The lowest level of prices for nonfood goods was recorded in certain cities in the Volga-Vyatka Region (in Novosibirskaya Oblast, for instance).

Our Commentary

At the moment inflation has switched to a sluggish form. For how long? This will depend on several factors. Primarily on whether the problem of nonpayments can be successfully resolved. And on whether the government can curb the appetites of the unemployed, namely power workers, fuel workers, and railroad workers. (Whether an electricity market is formed, for instance.)

Lastly, a great deal depends on grain prices. Since the cost of grain is determined by things that are rising in price at the moment (see above) and if grain rockets in price, we will have to pay more for bread, milk, meat, eggs, and poultry. The rise in the price of food will once again make it necessary to raise wages, thus increasing the prime cost of production and the money supply.

Military, Nuclear & Space Issues

Mir Docking Effort To Continue

LD0109021494 Moscow Ostankino Television First Channel Network in Russian 1400 GMT 1 Sep 94

[From the "Novosti" newscast]

[Text] Efforts to dock the Progress M-24 freighter with the Mir space station will continue. This was decided at a meeting of the interdepartmental commission on the operation of the Mir station, which finished late yesterday evening. Flight Control Center told ITAR-TASS that the docking is provisionally scheduled for 1400 on Friday.

To start with Yuriy Malenchenko, the mission commander, will endeavor to carry out the operation manually, by so-called "remote control." If the manual operation fails after two attempts, the docking will be carried out automatically.

Mir Orbital Station Prepares for 1st Docking Attempt

LD0109016394 Moscow ITAR-TASS in English 1733 GMT 1 Sep 94

[By ITAR-TASS correspondent Veronika Romanenkova]

[Text] Moscow September 1 TASS—At about 1730 Moscow time, Russian specialists began maneuvers aimed at bringing the un-manned cargo supply ship "Progress M-24" closer to the "Mir" manned orbital space station. A third attempt will be made to dock the two ships, after two failed ones, at 1730 on Friday. ITAR-TASS was told by Boris Chertsonov, deputy general director of the Russian Space Agency.

The inter-governmental commission for the Mir space station held a meeting today at which it decided that the third docking attempt should be made manually by the crew commander of the 16th Mir expedition, Aleksandr Malenchenko. When the liner ship comes within about

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

150 meters of the space station. Malenchenko will take over control of the docking process. If needed, two other crew members, flight engineer Talgat Musabayev and medical researcher Valeriy Polyakov, will stand by to carry out the commander's instructions.

Ostroumov noted that the new steps taken by flight control and the high qualifications of the space experts should make the third docking attempt successful.

Space Specialists Undergo Isolation Experiment

LD0109134094 Moscow ITAR-TASS in English 1240 GMT 1 Sep 94

[By ITAR-TASS correspondent Veronika Romanenkova]

[Text] Moscow September 1 TASS—Three Russian specialists Valeriy Lukiashuk, Vladimir Kuzarkhin and Igor Nichiporuk will enter an experimental complex (mock-up of the Mir space station) on Thursday to spend 135 days there in complete isolation.

The experiment is to be held at the Institute of Medico-Biological Problems (IMBP) on an order from the European Space Agency (ESA), a representative of which will work in order for over four months for the first time, ITAR-TASS learnt at a news conference at the IMBP today.

Conditions of explorations will exactly simulate those in orbit. The gas composition of atmosphere, regime of work and rest, operations aboard the station, water consumption, preventive training and hygienic measures.

"Surprises" are also in store for the experimentators: extreme situations can develop in space (for instance a fire or a switch-off of the life-supporting system). The main aim of the experiment is to study man's psychological and physical behaviour in closed space.

Therefore, in the opinion of specialists, the most difficult "trap" is "inside the commander."

IMBP director Anatoliy Grigoryev said that the institute conducted dozens of such experiments in the past. For instance, three experimentators spent a year at the research chamber. However, the experiment pursued other aims at that time.

Results of the present experiment will be needed for a 135-day flight of an ESA astronaut aboard the Mir station scheduled for 1995.

Asked by ITAR-TASS whether the present failures to dock the Progress ferry to the Mir station will influence the ESA's plans, ESA representative Klaus Damman expressed "complete confidence that Russian specialists have adequate skills and experience to carry out docking successfully."

Therefore, he said, the European Space Agency does not think about stand-by versions and adjustment of plans for flights aboard the Mir station.

Atomic Ministry Says No Radiation Escaped in Fire

LD0109104594 Moscow ITAR-TASS World Service in Russian 1522 GMT 1 Sep 94

[By ITAR-TASS correspondent Veronika Romanenkova]

[Text] Moscow, 1 Sep—Investigations conducted into the amount of radiation present at the "Mayak" combine, where a small fire occurred yesterday, show a complete absence of radioactive pollution caused by the incident, Georgiy Kaurov, head of the Russian Atomic Energy Ministry's information directorate told ITAR-TASS today.

He denied a report by the INTERFAX agency that "the incident was classed as category three on the international scale for nuclear events." In the opinion of experts, "using unproven data from dubious sources damages the functioning of Russia's Atomic Energy Ministry."

Kaurov noted that investigations into the causes of the emergency were continuing. A preliminary assessment of the event, experts say, would put it at a level not exceeding the first point on the seven point international scale for nuclear events.

Nuclear Physics Institute Seriously Underfunded

LD0109084294 Moscow PRAVDA in Russian 31 Aug 94 p 2

[Report from column compiled by PRAVDA Information Department, ITAR-TASS, and POSTFACTUM: "Physicists Failed To Receive Promised Millions"]

[Text] A financial "hole" of $1.5 million has formed in the budget of the Russian Academy of Sciences Siberian Branch Institute of Nuclear Physics owing to the suspension of construction of supercolliders in the United States. As a participant in the project to develop this superpowerful clashing-beam accelerator [ukoretel na vstrechnykh puchkakh], the institute was to have received over $2.5 million this year, but has only received $800,000.

Arms Exports To Be Increased 40 Percent

LD0109030894 Moscow INTERFAX in English 1947 GMT 1 Sep 94

[Text] This year Russia will boost arms exports by 40 percent compared to the $2 billion figure for 1993, deputy chairman of the State Committee on Defense Industry Gennadiy Yampolskiy declared at a press conference in Moscow Thursday.

In particular, this year Russian has already signed large contracts with Kuwait and Malaysia and is in the process of negotiations with the Philippines and Latin American countries.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

At the exhibition Arms. Military Equipment. Conversion to open September 11 in Nizhniy Novgorod Russia will for the first time display several kinds of arms with the opportunity to sell them abroad, Yampolskiy reported.

The exhibition, namely, will host a new anti-tank rocket launcher Kornet, T-80U and T-82U tanks, a new MiG-21-93 aircraft along with night vision devices of the third generation. All in all 230 Russian defense enterprises will be presenting their wares at the exhibition.

More than 30 foreign countries have already reconfirmed their readiness to participate in the exhibition which is on its third run. It will last until September 16.

Pacific Fleet Commander Promoted

LD0209084594 Moscow ITAR-TASS World Service in Russian 0237 GMT 2 Sep 94

[By ITAR-TASS correspondent Yuriy Grachev]

[Text] Vladivostok, 2 Sep—Vice-Admiral Igor Khmelnov, commander of Russia's Pacific Fleet, has been promoted. The fleet's press office told the ITAR-TASS correspondent today that an edict by the Russian Federation president has conferred upon him the rank of admiral.

Igor Khmelnov replaced Admiral Georgiy Gustov in the post of Pacific Fleet commander. The latter was dismissed from office in May this year after an explosion at an ammunitions dump belonging to the naval airforce.

Igor Khmelnov is 46 and one of the youngest admirals in the Russian navy.

Border Guards Commander Outlines Problems

LD0109021494 Moscow Ostankino Television First Channel Network in Russian 1200 GMT 1 Sep 94

[From the "Novosti" newscast]

[Text] The Moscow Academy of Border Guards opened today. Viktor Chernomyrdin, head of the Russian government, sent greetings to the academy students and lecturers.

A keynote speech was given by Colonel General Nikolayev, commander-in-chief of the border guards. He said that in most sections of the border an acute situation had arisen. The main reason for this was an increase in subversive activities by special services, a flood of smugglers, territorial claims, and military conflicts. Seventy percent of Russia's land frontiers are situated on areas of ill-equipped borders and have no legal basis. On average there are three well-armed soldiers per kilometer of the border. However, the commander-in-chief said that it has not yet been possible to set up a full line of defense on the borders. Much hope is being pinned on the federal program for the protection of borders which will be worked out by 1995. Right now, however, the border guards are undergoing a radical restructuring. Today's students of the academy will be called to complete it.

Regional Affairs

Situation 'Extremely Acute' After Urus-Martan Clash

LD0209104794 Moscow ITAR-TASS World Service in Russian 1006 GMT 2 Sep 94

[By ITAR-TASS correspondent]

[Text] Znamenskoye (Nadterechnyy) Raion in Chechnya, 2 Sep—The situation in Chechnya has become extremely acute. Shooting is taking place in the republic for the second day running. According to a report from the Provisional Council, following an armed clash in Urus-Martan on 1 September hostilities began today between the opposition and President Dudayev's armed formations in the vicinity of the inhabited locality of Dolinskiy to the north of Grozniy.

An ITAR-TASS correspondent has not yet managed to find out any details about the clash in the vicinity of the settlement of Dolinskiy due to the absence of communications with the region.

As reported earlier, an armed clash between Dzhokhar Dudayev's supporters and the opposition's armed volunteers occurred in the town of Urus-Martan on Thursday afternoon. According to the Provisional Council, seven volunteers and townsfolk were killed. The number of casualties among Dzhokhar Dudayev's armed formations is being ascertained. According to some information, they are considerably higher.

Nine Killed in Government-Opposition Clash

LD0209034594 Moscow Radiostantsiya Ekho Moskvy in Russian 1800 GMT 1 Sep 94

[Text] [Announcer] Armed clashes occurred today in the Urus-Martanovskiy Raion between opposition supporters and government forces. POSTFACTUM correspondent Igor Maiov reports from Grozniy.

[Begin Maiov recording] In the morning, Dzhokhar Dudayev's supporters planned to hold a large rally in order to remove the local interim council led by Yusup Soslambekov without bloodshed. But after lunch the confrontation turned into an armed conflict. Using armored personnel carriers, large-caliber machine-guns, and grenade-launchers, the opposition fired on a bus carrying supporters of President Dzhokhar Dudayev that was on its way to support his supporters' rally. According to preliminary information, there are deaths. Aslan Sadulayev, the internal affairs minister of the Chechen Republic, and Sultan Geriskanov, the head of the Chechen State Security Department, have gone to the scene of the incident. [end recording]

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Announcer] According to the latest information we have received from INTERFAX, at least nine people were killed in the bout-out and reinforcements are now arriving to join the warring sides.

Dudayev Forces Violate Muslim High Authority Decision

[2]0220150494 Moscow Mayak Radio Network in Russian 1400 GMT 7 Sep 94

[Text] Mayak usually broadcasts sports news at this time. You will hear it in a minute or two. But just now, here is a live report from Anton Zharov, our correspondent in Chechnya.

[Zharov] At about 1600 today, a detachment of the special purpose police under Dudayev attacked the town of Urus-Martan. We have reported this before. Several hours earlier, the supreme muftiate of Chechnya, which is the Muslims' highest authority, had adopted a decision forbidding the Chechen Muslims to use weapons against one another. Nevertheless, the attack did take place. According to the latest reports, peaceful residents were killed and wounded in the clash—I hope to be able to tell you the details tomorrow morning. There are dead and wounded on both sides. One serviceman from Dudayev's police force was taken prisoner. Further details are being clarified. For the moment, there is no more information. Anton Zharov, reporting from Chechnya.

Further Report on Urus-Martan Clashes

[2]0220192594 Moscow INTERFAX in English 1842 GMT 7 Sep 94

[Text] Armed clashes between opposition supporters and official Grozniy took place in Chechnya's Urus-Martan Region Thursday.

The administration of the village of Gansy in the vicinity where the fire exchange occurred, told our Interfax correspondent that according to preliminary information, both parties lost 9-11 people each with at least five wounded.

Interfax has not been able to receive confirmation from other sources.

According to the same source the hostilities in the Urus-Martan Region were waged between armed formations of Beslan Gantamirov and Dzhokhar Dudayev's forces.

Gantamirov's supporters lost one APC. The opposition fighters took three governmental soldiers prisoners of war.

At present, additional detachments arrive at the site of the clash to reinforce the warring sides.

Gantamirov, with his 200 armed fighters, supports the opposition Provisional Council headed by Umar Avturkhanov, the latter's headquarters is in Chechnya's Nadterechniy Region.

Referring to the republic's Interior Ministry in his interview with Interfax, Chechnya's Press and Information Minister Movladiy Udugov reconfirmed reports of clashes between the forces loyal to the Provisional Council and Dzhokhar Dudayev's supporters in the Urus-Martan Region.

Udugov pointed out that on Thursday afternoon fighters from Beslan Gantamirov's grouping attacked a bus with people heading for Urus-Martan for a rally in support of Chechnya's independence. In the course of this incident the fighters used [illegible] IFV, a mortar, and fire arms.

As Udugov's words there are reported as a result of this incident, their number is still unknown.

Udugov indicated that Chechnya's Interior Minister Ayub Satuyev and chief of the State Security Department Sultan Geliskhanov now are at the scene of the incident.

Dudayev Supporters in 'Armed Clash'

[Moscow ITAR-TASS in Russian at 1952 GMT on 1 September transmits a service message killing this item]

[2]0220927594 Moscow ITAR-TASS World Service in Russian 1617 GMT 7 Sep 94

[Excerpt] Moscow, 1 Sep (ITAR-TASS)—An armed clash between supporters of Chechen President Dzhokhar Dudayev and the armed opposition occurred this evening in a suburb of Urus-Martan, the republic's biggest raion center.

ITAR-TASS was told at the Ministry of the Interior of the Chechen Republic that there were casualties but their number was as yet unknown. The Chechen Interior Ministry does not have the full details of the incident at this stage.

Opposition Rally Demands Dudayev Ouster

[2]0220931794 Moscow ITAR-TASS World Service in Russian 0854 GMT 7 Sep 94

[By ITAR-TASS correspondent]

[Text] Znamenskoye (Nadterechnyy Rayon), 2 Sep—A mass-thousand strong opposition rally is being held today in Urus-Martan, a major settlement in Chechnya, where an armed clash between the people's militia of the Provisional Council and Dzhokhar Dudayev fighters took place on 1 September. Its participants are demanding that Dzhokhar Dudayev resign from the post of president and that responsibility be taken for the blood of the people who died here on Thursday. "We would rather die than submit to Dudayev", the participants in the rally state.

The Urus-Martan residents told an ITAR-TASS correspondent that on Thursday afternoon Dzhokhar Dudayev's fighters and hirelings tried to seize the town.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

which supports the authority of the Provisional Council." During the clash with the people's militia of the Provisional Council, who came to defend the town, both sides sustained killed and wounded, the number of whom is being verified. First reports say that seven people died from among the people's militia of the Provisional Council and civilian residents of Urus-Martan.

The Provisional Council's press service told ITAR-TASS that it was the first time in three years that blood has been shed in Chechnya.

According to the same information, there turned out to be hostages among Dudayev's supporters captured by the people's militia of the Provisional Council, one of them is "supposedly Caucasian." An ITAR-TASS correspondent managed to find out that he is alive and is under guard.

Gantemirov, a 40-year-old resident of Urus-Martan, told an ITAR-TASS correspondent: "Dudayev's people attacked us on the day when children were returning to school after the holidays. They fired on the civilian population with automatic weapons, heavy-caliber machine-guns, and grenade launchers. The people cannot forgive this."

'Suspect' Chechens Torturing Captured FCS Officer

LD0109233094 Moscow ITAR-TASS in Russian 2030 GMT 7 Sep 94

[Text] A well-informed source has reported that the officer of the Federal Counterintelligence Service [FCS] of Russia, who was recently taken prisoner by the Chechens, is being subjected to severe moral and psychological pressure aimed to force from him information about the activities of the FCS. It is not ruled out that psychotropic methods are being applied to him. The source believes that the Chechen side may use the captive for propaganda purposes—for example, at mass gatherings in Grozniy, where the FCS officer will be forced to publicly confess his crimes.

Talks on Officer's Release 'near Failed'

MK2109120894 Moscow SEGODNYA in Russian 17 Sep 94 p 2

[Report by Natalya Gevorkyanova: "Russia's FCS and Chechnya's State Security Warn Each Other: Two More Russians Come Under Provisional Council Power"]

[Excerpts] Spokesmen for the Russian Federation FCS [Federal Counterintelligence Service] and Chechnya's State Security Department met at the airport of the town of Beslan in Northern Ossetia on Tuesday in an attempt to agree on freeing the Russian Federation FCS officer captured by troops loyal to General Dudayev. The negotiations could have failed because yesterday the FCS once again demanded an immediate release of the Russian officer and stated that all the responsibility for the "bandit action rests on Dzhokhar Dudayev in person rather than on those who performed it." The Grozniy officials stated yesterday that they "are very worried over the fate of the other Russian special services officers" who are on the territory of Nadterechnyy Raion because they cannot guarantee that they may not be "captured by criminal elements with the aim of getting ransom."

Russia's Ministry of Emergency Situations has denied SEGODNYA's claim (No. 164, 30 Aug) about "the possible use in Chechnya of Ministry of Emergency Situations and Ministry of Internal Affairs troops under the general guidance of the Ministry of Emergency Situations because this ministry can oppose emergency situations, since these troops are only brought in where there is a natural disaster. It is well known, however, that a commission of the Russian Federation government which discusses urgent matters has already discussed the possibility of imposing a quarantine on Chechnya's territory owing to "spreading cholera" which can in principle be equated with a natural disaster.

Military Force 'Only Way' To Avoid Civil War

LD0209103094 Moscow ITAR-TASS in English 1001 GMT 2 Sep 94

[Text] Moscow September 2 TASS—The Chechen opposition appealed for the overthrow of President Dzhokhar Dudayev's regime by military force today, claiming it is the only way to avoid civil war in the troubled republic.

"All the armed units of the Provisional Council have been ordered to exterminate all military formations that take part in reprisals and that do not comply with the order about their voluntary surrender," the statement of the Provisional Council reads.

The document, signed by council Chairman Umar Avturkhanov, was faxed to ITAR-TASS on Friday.

The statement claims that peaceful citizens of Chechnya died on Thursday as a result of "reprisal actions staged by Dudayev's mercenaries."

The opposition claims that Dudayev has overstepped Thursday's decision of the Chechen top Muslim board, which imposed a ban on the use of any arms in political disputes on the territory of republic. In doing so "Dudayev not only ignored divine law, but tried to start a civil war," the statement says.

Chechen Opposition Reportedly Liberates Argun City

LD0109161794 Moscow ITAR-TASS in English 1233 GMT 1 Sep 94

[Text] This week armed detachments of Chechnya's opposition Provisional council have freed the city of Argun from forces loyal to President Dzhokhar

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Dudayev. Earlier having surrounded the city, supporters of the Grozny government attempted to force Ruslan Labazanov's fighters stationed there to lay down their arms.

The operation was carried out without any firing, the opposition's headquarters told to Interfax.

On Wednesday in Argun several kilometers from Grozny—Interfax—supporters of President Dudayev tried to hold a meeting against Ruslan Labazanov. Their attempt failed.

Ruslan Labazanov who came to the meeting addressed the demonstrators calling on them not to get involved in the conflict in Chechnya.

According to military experts, Argun could play a key role during a possible armed clash between Dudayev's forces and the opposition.

According to an Interfax correspondent who has been near the city, there lined in the Chechen president, an Ukhtar battalion and special purpose detachments opposed Ruslan Labazanov's armed formations which control the city of Argun. The overwhelming majority of the personnel of these forces has gained combat experience as they participated in hostilities both on the territory of the former USSR and Afghanistan.

These elite detachments have been reinforced by several units of armored vehicles, including a self-propelled artillery gun and tanks.

Interfax has learned that on Wednesday Ruslan Labazanov came to Tolstoy-Yurt, where Ruslan Khasbulatov's headquarters is situated, and tried to arrest on launching an attack against official forces which oppose him. According to available information, he has received no consent for such action.

Chechen Opposition Wins Support in Districts

LD2309161594 Moscow ITAR-TASS in English 1547 GMT 1 Sep 94

[Text] Znamenskoye (Nadterechnyy district of Chechnya) September 1 (by ITAR-TASS)—The opposition provisional council is continuing to form potential governing bodies in the capitals of Chechen districts. Even armed supporters of President Dzhokhar Dudayev in certain district centers have not prevented these from forming opposition groups.

ITAR-TASS was told by Ruslan Martagov, official spokesman of the provisional council, that the residents of the district center of Achkhoy-Martan had decided to support the provisional council despite the presence of 120 armed adherents of the Dudayev regime quartered in the city. That is the sixth district to take the side of the opposition council.

According to Martagov, the provisional council leadership with Chairman Umar Avturkhanov at their head, are unfolding an active publicity and propaganda campaign among the population. Special attention is being paid to courting the Muslim religious leaders and the elders, many of whom have so far adopted a wait-and-see position.

The provisional council feels that it has the sympathy of nine or ten districts in the republic, as well as of several towns in the capital region of Grozny.

Chechen Opposition Lacks Single Military Command

LD2309161594 Moscow INTERFAX in English 1557 GMT 1 Sep 94

[Text] Interfax learned in the headquarters of Ruslan Khasbulatov that the Chechen opposition has yet no single command. "There are only separate attempts to coordinate actions of the armed units," the same source said.

He added that opposition leaders Ruslan Khasbulatov and Umar Avturkhanov had not yet managed to overcome serious discord on the sphere of political and military strategy and tactics. At the same time, the commanders of the armed formations which have joined the opposition are trying to coordinate their actions.

Dudayev, Opposition View Events in Chechnya

AU0309141094 Tbilisi *RESPUBLIKA* in Georgian 31 Aug 94 p 7

[Interviews with Chechen President Dzhokhar Dudayev, opposition leaders Ruslan Labazanov, Umar Avturkhanov, by Radio Liberty correspondent Savik Schuster in Grozny, Argun and Nadterechnyy raion, Chechnya; respectively; date not given: "The Caucasian Chalk Circle. Chechnya. The Tragedy Surrounding the Hostages"]

[Text] Radio Liberty correspondent Savik Schuster travelled to Chechnya. He met Chechen President Dzhokhar Dudayev, his mortal enemy Ruslan Labazanov, and Umar Avturkhanov, head of the Chechen Provisional Council. These three political leaders are well armed and are preparing to wage war against each other.

[Schuster] We travelled to Chechnya to ascertain what would have happened had the Russian special services launched an operation to capture Dzhokhar Dudayev. It was also interesting to know what the results would have been had the Chechen opposition carried this out. In the town of Argun, we met Ruslan Labazanov, the leader of the so-called "United Party of Justice." Labazanov started the conversation himself without waiting for the first question.

[Labazanov] We will soon cut off Dudayev's head. It says in the Bible: If you come across a snake, crush it. This is precisely what we will do with him.

[Schuster] Why?

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Labazanov] Because he has subjected our Chechen people to his will, destroyed them and turned them into beggars. The Chechen people have never in the past been hungry or begged for charity. Who has done this? Dudayev has done this. The schools are closed, the hospitals are not functioning.

[Schuster] Yet, Dudayev can say that he has brought the Chechen people independence and sovereignty.

[Labazanov] He has not brought Chechnya independence. On the contrary, Chechnya has had to acquire independence. Furthermore, he has taken advantage of this. When other people should already have come to power, Dudayev appeared and played a completely different game.

[Schuster] You have masses of armed people here. It is necessary to keep them where this involves great expense. From where do you get weapons and money?

[Labazanov] I have brought everything myself and I cover all costs with my own money. No one supplies us. Neither with weapons nor with anything.

[Schuster] Are you an entrepreneur?

[Labazanov] No, not at all. I used to be the president of a martial arts association in Krasnodar. I then came here. I had my own capital and did one thing and another. We are now using what I have left. No one is supplying us.

[Schuster] They say that you are involved in racketeering.

[Labazanov] Then let them show me at least one place where I have robbed someone. They also say that I am a murderer. Let them show me just one head that I have cut off or one unjustified murder that I have committed. There exists justified and unjustified murder. Let them show me just one person whom has been underservedly killed by me. Unlike Dudayev's party, we are not a bandit formation.

[Schuster] Then who are you?

[Labazanov] We are the Free Party of Justice.

[Schuster] How do you view the united opposition led by Avturkhanov that is acting from Moscow and its statement that Dudayev has to be removed?

[Labazanov] If Avturkhanov is serving the aims of the people, I welcome him. However, if he is putting his own personal ambitions above everything else, we will not be able to support him.

[Schuster] So, you believe that elections will resolve the situation?

[Labazanov] Only in a peaceful and democratic way. Under no circumstances can there be bloodshed on a wide scale.

[Schuster] Therefore, you favor elections?

[Labazanov] Of course.

[Schuster] Yes, but if you cut off Dudayev's head, how will he be able to cast his vote?

[Labazanov] Dudayev shouldn't vote at all. He should resign. Furthermore, one shouldn't even speak about Dudayev in Chechnya. If the people want to elect a president, let them do so. I, however, would like there to be parliamentary rule, a republic with a three-chamber parliament: one that adopts decisions, one that discusses, and one that criticizes; there should be no dictatorship.

[Schuster] How do you intend to combat organized crime and the mafia?

[Labazanov] All this can be done mostly tactfully and without much bloodshed. The one thing that has to be done is to raise the average wages of ordinary people, more precisely of every citizen, and then there will also be a reduction in crime. First and foremost, the people need to be fed and there will no longer be any crime.

[Schuster] How will you resolve relations with Russia? There are certain forces that favor Chechnya returning to the Russian fold while others are demanding Chechnya be independent.

[Labazanov] I want Chechnya to be completely independent. When the Chechen question is being resolved, this does not concern Russian territory. This is directly Chechnya's matter and should be settled here without any interference from Russia. However, at the same time, we should maintain all relations with Russia because, up to now, we have been under Russia's jurisdiction and it knows all our steps very well. Furthermore, no one will help us more than Russia in our difficulties.

[Schuster] How do you view Ruslan Khasbulatov's proposal that he act as mediator?

[Labazanov] I am very well disposed toward this. He is the only person clever enough to resolve all the issues.

[Schuster] Your words will please President Yeltsin very much.

[Labazanov] Really? He's a very clever man and he should resolve this. It is very pleasing for us to realize that he has taken this mission upon himself.

[Schuster] In spite of Islamic hospitality, Ruslan Labazanov did not invite any of us into his cottage for tea but, in contravention of the same Islamic laws, vodka and beer is being sold and consumed throughout the whole of Chechnya. Thus, it turns out that Chechnya is more Soviet than Islamic.

We travelled to the opposition's other camp in Nadterechnyy raion. My first question to Umar Avturkhanov: Many commentators have been saying that you are in close contact with the Kremlin, that you will use

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Chechnya back into the Russian Federation and thus ruin President Yeltsin's team.

[Arutiunbekov] Yes, but when was Chechnya not a part of the Russian Federation?

[Schwster] Dudayev has taken it out of the Russian Federation.

[Arutiunbekov] Is that what you think? From the moment Dudayev came to power not a single apartment has been built, not factories and plants are almost all at a standstill with the exception of the petroleum refining installations. All steps taken by the Kremlin have been rejected by Dzhokhar Dudayev.

[Schwster] We approach Grozniy on the morning. President Dudayev receives us in his office. Two years have passed since our last meeting. Yet, Dzhokhar Dudayev has almost not aged and, as always, is elegantly dressed and ready for battle. Simply, he speaks in an unaccustomed quiet voice, but probably had enough of repeating over and over the same thing in a simple word not under the moon.

[Schwster] Before foreigners pulled tons of address[ed] President over opponents' heads in Moscow and Chechnya believe that when the situation gets worse here and you feel that the Government is on the verge of collapse, you play the "Russian trump" as this is the only chance of being able to settle the people.

[Dudayev] I do not rely on any trumps. I am guided only by reason and the situation as it really is. I have sufficient information each day to give a correct assessment of the situation. Those narrow pedants sitting in the higher echelons of power in Russia have turned Chechnya into a playing ground. They are experimenting on us and then they will translate the scenario to Russia. Chechnya is only a pretext, whereas, in fact, the initiators are reaching out toward the Russian president's post. We are convinced that Yeltsin has already absolutely detached himself from the real situation and is not in control of the information he receives in Glavnoe through Filatov, Yeltsin's aid—RELYUKANSE). Alongside Filatov are Zavgayev (last chairman of the Chechen-Ingush Autonomous SSR Supreme Soviet who was toppled by Dudayev—RELYUKANSE) alongside Zavgayev are Khasbulatov and Mamedayev (former speaker of the Chechen Parliament banished by Dudayev—RELYUKANSE), Yeltsin's Tagayev and that paramilitary Arutiunbekov are also attached to them. It is precisely at their expense that they are formulating policies in Russia. What is their aim? Khasbulatov has claims on the president's post (in Russia—RELYUKANSE) as having been ostensibly illegally dismissed from his position as chairman of the Russian Supreme Soviet. Rutskoy likewise has claims on the same post as the forcibly dismissed vice-president.

Chernomyrdin is also being encouraged to assume this post. However, Filatov has seized the initiative. Filatov is on good terms with Luzhkov [mayor of Moscow]. He is now involved in everything and stirring everything up. When all the candidates will be quarrelling with one another over the president's post, Filatov will end up taking first prize. As can be seen from events, on behalf of the president and the president's administration, he now enjoys full powers and should assume responsibility for everything but is quietly lying in wait. He is now on tape, now somewhere else, he alone is stirring things up. We have documentary evidence that these latest events in Chechnya—RELYUKANSE) have their origins in his chancellery, his office.

[Schwster] Naturally, President Dudayev did not show us these documents.

Khasbulatov Seen Wanting Power in Chechnya

[ARUTIUNBEKOV Moscow NEZAVISIMAYA GAZETA in Russian 7 Sep 96 p 1]

[Report by Nikolay Golotyuk under the "Situation" rubric and with the general headline "Situation in Chechnya, and Political Intrigues of Russia. Opposition Becomes Active in Rural Areas. Grozniy Asks Andrey Kozyrev for Assistance. Moscow Awaits Ruslan Khasbulatov's 'Second Coming'"]

[Text] Sergey Filatov, the president's chief of staff, and Vice Premier Sergey Shakhrai both now say that power in Chechnya will most probably go to Ruslan Khasbulatov in the nearest future. An experienced politician, the disgraced ex-speaker is acting very cleverly, stressing that he is not seeking power, and it seems that he will really become a new Chechen leader. Among those around the president, it is he and Aleksandr Rutskoy who are indeed regarded as the most "dangerous" enemies of the Russian president. And after all, Umar Avturkhanov has not been "groomed," and complex moves were not being made in order to remove Dzhokhar Dudayev and to bring Ruslan Khasbulatov to power as a result.

Both Filatov and Shakhrai appear already to be trying to dissociate themselves from the laurels of Chechnya peacekeepers. But someone should have to answer to the president of Russia for the obvious political miscalculation. Who is going to be this "fall guy?" The chief of staff, the vice premier? Or maybe all the blame will be put on the Chekists and their chief Sergey Stepashin although this time around, the Federal Counterintelligence Service seems to have been the only one to have presented an objective picture of what is happening in Chechnya. The military and the Ministry of Internal Affairs have managed to duck participation in this dubious political game.

The main conclusion one evidently will be able to draw soon from the Chechen developments consists in the striking incompetence of politicians in charge of Russia's internal problems. And the president who gives them carte blanche for active operations ends up as a result in an awkward and sometimes dangerous situation.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Khasbulatov Group Holds Moscow News Conference

[ORT/ITN/NTV/RTR/TV6 Moscow Ostankino Television First Channel Network in Russian 1400 GMT 1 Sep 94]

[Text] As had been previously announced, Professor Khasbulatov's peacemaking group held a news conference in Moscow today. The group is made up mainly of clergy in those who have made the hajj to Mecca. Today they announced that the opposing Chechen groupings are prepared to settle things among themselves by peaceful means without outside interference.

It was stated at the news conference that six of the 13 towns in Chechnya are under the control of the Interim Council. Although very contradictory reports are coming in from those towns, it is already reliably known that in Vedenskiy District, for example, monetary payments have been resumed to pensioners and to specialists in accordance with Russian legislation.

Elders in the peacemaking group stated unambiguously that they had received confirmation once again from the Kremlin that no Russian troops would be moved into Chechnya, and the Vainakhskiy people would themselves settle matters with those who had turned the republic into a bleeding trough.

Oblast Queries Legality of Chechen-Cossack Treaty

[MK] [Unsigned] "In Moscow" [MOSKVA] in Russian 1 Sep 94 p 2]

[Vladimir Ustinov report in the "Protest" column: "The Cossacks' Treaty With Chechnya Could be Ruled Illegal. The Rostov Authorities Will Sue the Ataman of the Grand Army of the Don"]

[Text] The treaty concluded in Grozniy on 24 August "on friendship and cooperation between the Grand Army of the Don and the Chechen Republic Ichkeriya" contradicts the constitution of the Russian Federation and the Public Accord Pact which were signed by leaders of the Don Cossacks, and could destabilize the situation in the Northern Caucasus. Vladimir Vemetskaya, first deputy head of the oblast administration stated at a press conference in Rostov-na-Donu on 30 August.

He said that the treaty is unlikely to be revoked because the list of Federation components does not include the Grand Army of the Don while the registered Union of Cossacks of the Don Army, which according to its status is a public organization, had no right to supersede official state power bodies and enter contractual relations with Chechnya on matters of economics, migration policy, security, and interaction with law enforcement services. According to Vemetskaya, the article of the treaty under the terms of which each side undertakes to prevent armed forces and groups, arms, ammunition, and military equipment designed to be used against either of them to pass from or through its territory, is an intrusion by the Cossacks' leaders into the jurisdiction of federal bodies.

The Oblast Prosecutor's Office will on 2 September file a suit on deeming illegal the actions by the army's ataman [chief] Nikolay Kozitsyn, who signed the treaty. There are no treaty-based relations at present between Rostov Oblast and Chechnya, Vladimir Vemetskaya noted, but the Rostov administration would welcome the development of civilized economic interaction with its neighbor. Vladimir Vemetskaya positively assessed the participation of Chechen observers in the work of a conference of heads of the republics, krays and oblasts of the Northern Caucasus which took place on 25 August in Rostov.

Ethnic Chechens, Ingush on Moscow-Grozny Conflict

[MK] [Unsigned] "In Moscow" [MOSKVA] in Russian 1 Sep 94 p 3]

[Report by Sergey Kozlov under the "NEGA Reports" rubric]

[Text] The republican "Vainakh" conference of cultural centers has appealed to the heads of a number of states on behalf of the Chechen and Ingush communities of Kazakhstan. In the appeal forwarded to the Russian Federation president, the State Duma, and the Federal Assembly, its authors point out in particular that "myopic politicians on both sides are doing a balancing act on the brink of civil war worsening still further the crisis that has broken out," and, they go on to say, "for three years now they have been pacifying rebellious Chechnya using for this methods of threats, blackmail, disinformation, and economic and political blockade. The imperial forces are cleverly taking advantage of the socio-economic and political difficulties, interethnic and interclan differences. Especially dangerous and insidious is the plan for solving the Chechen problems with Cossack hands."

Representatives of the Chechen and Ingush communities in Kazakhstan offer, as immediate measures to resolve the crisis, to hold a referendum on confidence in the president in Chechnya, and early parliamentary elections with international observers attending. They propose that all political forces adopt a declaration on power and the political opposition, which would guarantee the inviolability of the opposing forces, and they propose reconciling these forces and those engaged in confrontation. It is proposed that the conflict between Moscow and Chechnya be achieved exclusively by political methods, for which purpose the leaders of Chechnya are asked to sign the Federation Treaty, and Russia is asked to recognize that the republic has an independent status under international law.

In addition to this document, an appeal to the Chechen people, president Dudayev, and the republic's Supreme Soviet has been adopted. This message indicates that

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

there still remains the danger of military invasion "as was the case in Ingushetia when the Russian troops, under the guise of peacekeeping forces, turned their arms against the Ingush population."

The communities' leaders have proposed that the presidents of Kyrgyzstan and Kazakhstan act as mediators between Moscow and Grozniy with corresponding messages having been sent to them. The communities' leaders have also turned to Islam Karimov for assistance.

Chechens and Ingush who number slightly over 70,000 in Kazakhstan are closely following developments in the Northern Caucasus. There is a marked increase in the number of Chechens emigrating to Kazakhstan. However they find it hard not only to get jobs there but also residence permits, even when reuniting with their families.

Ingush Congress Seeks Introduction of Federal Rule

LD2609121194 Moscow ITAR-TASS in English 2032 GMT 1 Sep 94

[Text] The Peoples' Congress of Ingushetia has called on President Boris Yeltsin to institute measures for settling the situation in the area of conflict between North Ossetia and Ingushetia, currently under a state of emergency.

Congress leader Ruslan Pliyev, in a letter to the Russian president on Thursday, insisted that a legal assessment be given of the violent clashes between members of the Ingush and Ossetian communities taking place in the Prigorodnyy Region and the capital Vladikavkaz two years ago leading to heavy casualties.

He also called for a permanent commission of the Federal Assembly and Yeltsin's Public Chamber to be sent to the region to monitor the carrying out of presidential decrees and the federal Constitution. Yeltsin is also offered to check any attempt by North Ossetian and Russian leaders to try to link the repatriation of Ingush refugees with the situation in neighboring Chechnya.

Pliyev complained that the presidential decrees authorizing the compelled return of the refugees to their homes is "being trampled and dismissed."

The Congress withdrew confidence in Russia's interim administration. Vladimir Lysenko asking for the interim administration's headquarters to be transferred from Vladikavkaz to the village of Chermen in the volatile region of Prigorodnyy.

The Congress also seeks federal rule to be introduced in the region as suggested by some Russian deputies.

Duma Speaker Rybkin Tours Voronezh, Tambov Oblasts

LD1609125194 Moscow ITAR-TASS in English 1220 GMT 16 Sep 94

["Own Information" report: "Ivan Rybkin Meets With Fellow Countrymen"]

[Text] Last week I.P. Rybkin, chairman of the Russian Federation Federal Assembly State Duma, went on a working trip to the rural areas of Voronezh and Tambov Oblasts. During his visit to these areas, I.P. Rybkin met with the heads of administration of Ternovskiy, Gribanovskiy, Anninskiy and Ertilskiy Raions in Voronezh Oblast and Zherdevskiy Raion in Tambov Oblast. Meetings and talks were also held with V. Rubenko, V. Rzhanov, and I. Shabanov, governors and duma chairmen of these regions, as well as with B. Mikaev, chief of the Southeast Railroad, and other officials.

The State Duma chairman visited farms in these regions, including in the village of Semiganovka in Voronezh Oblast's Terenovskiy Raion, where he was born and where he called on his sick father and mother.

In Terenovskiy Raion, the meeting with peasants went on for hours. I.P. Rybkin spoke of the main prospects of the country's development, and then answered numerous questions. During the meeting there was an open and frank discussion about the need to achieve accord in society, the joint quest for genuine ways of getting out the crisis, the peasants' urgent concerns and how to gather and store the present rich harvest of grain and sugar beet. The peasants told the State Duma chairman of their concern that elevators are empty in many areas in the Central Chernozem, while tens of thousands of tons of choice grain has built up on the threshing floors, most of it out in the open. This situation has formed because of the lack of clarity as regards the purchase prices of wheat and barley which, in the course of the discussion, the State Duma chairman described as Russia's "second currency."

A situation has arisen whereby, because of the government's sluggishness, a golden torrent of this "currency" has already flowed away at fairly low prices, for instance from certain southern raions in Voronezh Oblast to neighboring raions in Ukraine, and further afield from there. I must recall that, with the predicted gross grain harvest this year being approximately 80-90 million tons, Russia itself will have to buy, in the near and not-so-distant abroad, for convertible currency, a quantity of grain that will approximate 10-15 percent of the expected harvest. Only then will all of the country's needs be met.

During this meeting, like elsewhere, the rural workers drew concerned attention to the fact that, because of the excessively high tariffs, it is becoming impossible to transport process and store agricultural output.

The disparity in the prices of agricultural output and the goods supplied to the countryside, as well as the low remuneration of labor for rural workers, can serve as confirmation of the abnormality of the prevailing situation. Thus, in 1990, it was necessary to sell 1,200 kg of meat in order to be able to buy a tractor. Today a machine made by the same firm will be worth over seven tonnes of meat. At present one tonne of coal costs 120,000 rubles [R] on average, and two-three tonnes are

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

needed for a rural house for one season, while a dairymaid's pay is around R40,000-50,000 a month, and rural pensioners are not high either.

Like in other raions, in Terneevskiy Rayon there was talk of the need for a speedy solution to the problem of the road building, the provision of gas to the countryside, and the imminent old age of the inhabitants remaining in villages and settlements on the most picturesque parts of the Russian Central Chernozem zone. And after all, the banks of rivers and ponds on the right-bank tributaries of the Khor—Vorona, Savoika, Vilan, and Tomka—provide the most wonderful living and working conditions. The chernozem of these places has been acknowledged as one of the most high-quality soils in the world. Soil from Ershakov Raion is stored by way of a standard in the Paris Chamber of Weights and Measures.

Summing up the results of the frank discussion, which lasted many hours, the kolkhoz workers and private farmers of Terneevskiy Rayon demanded the indisputable implementation of articles of the federal budget in respect of the peasants, and also Federation Council, State Duma, and government decrees concerning the countryside.

The fact that the rural inhabitants were entrusting their distinguished fellow countryman with their worries made for a sincere atmosphere in Terneevskiy Rayon.

Siberian City Administration Head Murdered

MK0109122794 Moscow ROSSIYSKAYA GAZETA in Russian 1 Sep 94 First Edition p 3

[Report by Anatoliy Uralbaev: "Drama on Waste Ground. Head of Kuperink Administration Killed"]

[Excerpts] Sergey Vyalov, head of the local administration, was gruesomely killed on the night of 30 August in the mining town of Kuperink near Chelyabinsk. His body was discovered toward morning in bushes around 100 meters from the entrance to his apartment block. Here is what your correspondent was told by Gennadiy Likhachev, Chelyabinsk Oblast prosecutor:

"It has been established that the head of the Kuperink administration parked his official car at a lot near his home at around 2300. The path to the entrance runs across waste ground overgrown with bushes. He was found there with nine fatal knife wounds.

"The oblast Prosecutor's Office has set up an investigative team which is looking into several theories. Simple robbery is probably being ruled out, since there was a large amount of money in the deceased's pockets.

"It only remains to add that the 48-year-old Sergey Timofeyevich Vyalov, a former teacher and school director, had been head of the city's Committee for the Management of State Property prior to his appointment as head of the Kuperink Administration. Who received privatized state property targets turned on his decision."

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

International Affairs

Ukrainian Says Normalization in Ties with Russia

[2SEP0067Z094] Kiev UNIAN in Ukrainian 1850 GMT 1 Sep 94

[Excerpt] Kiev—Ukraine's Acting Foreign Affairs Minister Hennadiy Udovenko held a briefing today on Ukrainian-Russian relations. Opening the briefing, the acting minister said: "Above all, layers of ideology should be brushed aside. Already, we have almost done so, with the experience of three years of independence behind us. Negotiations under way at various levels demonstrate a tendency toward normalization in relations between the two countries."

Answering questions from journalists, Hennadiy Udovenko said, in particular, that he will advocate the conclusion of economic ties with Russia on a mutually beneficial basis. It is too early yet, in his view, to talk about a percentage of shares to belong to this state or the other in transnational corporations, although at any rate this is not robbing Ukraine's wealth. As for priorities, they will be determined by the Supreme Council, the president, and the government. Udovenko himself will only implement the program outlined, and Government intends to defend Ukraine's national interests in this respect. Relations between Ukraine's Foreign Affairs Ministry and embassies should change, that is, a new style of leadership should be brought in.

On the subject of orientation toward East or West, Hennadiy Udovenko stated: "We are a European state but our main economic interests are in the East. Millions of our compatriots in Russia, Kazakhstan and other states should not be forgotten either."

Russian Vice Premier Shokhin Arrives

[2SEP0065Z094] Moscow Mayak Radio Network in Russian 0600 GMT 1 Sep 94

[Text] Aleksandr Shokhin, vice premier of the government of the Russian Federation, who arrived in Kiev today plans to discuss a wide range of questions of economic cooperation between Ukraine and Russia. It is possible that during the Russian governmental delegation's visit several practical agreements will be signed. Aleksandr Shokhin also plans to hold meetings with Ukrainian Prime Minister Vitaliy Masol and Minister of Economy Roman Shpek.

And it is expected that the Russian vice premier will travel from Kiev to Crimea where he will meet with Ukrainian President Leonid Kuchma who is on holiday in Crimea and with Crimean President Yuriy Meshkov.

Ukrainian Delegation, Saudi Premier on Cooperation

[2SEP0065Z094] Kiev Radio Ukraine World Service in Ukrainian 0600 GMT 1 Sep 94

[Text] A meeting between Ukraine's state delegation, led by Industry Minister Anatoliy Holubchenko, and Kazakhstan's Prime Minister Sergey Tereshchenko took place in Almaty today. Commenting on its outcome, the Kazakhstan prime minister pointed out that mutual relations between Kazakhstan and Ukraine were reaching a new, more qualitative level and becoming more productive. Of late, the Ukrainian delegation has twice visited Kazakhstan. Ways of further developing mutually advantageous cooperation have been outlined, emphasized Mr. Tereshchenko. It is necessary to revive in the shortest possible period of time those relations that had already been available.

Replying to a question from an UKRINFORM correspondent on what kind of Ukrainian products Kazakhstan now needs most of all, Sergey Tereshchenko said of late it has required paper, first and foremost, which Kazakhstan is compelled to buy from Germany, Japan, and Austria.

Ukrainian state delegation head Anatoliy Holubchenko said that a banking agreement will be signed, as well as treaties on industrial cooperation, cultural cooperation, migration, and a protocol on cooperation. Other documents are being worked up as well.

Government Delegation Visits Australia

[2SEP0067Z094] Kiev UNIAN in Ukrainian 1850 GMT 1 Sep 94

[Text] Kiev—A Ukrainian government delegation led by Deputy Foreign Minister Oleksandr Makarenko paid an official visit to Australia from 29 August to 1 September.

There were numerous meetings and negotiations with representatives of the parliament, the government, local authorities, and business circles. In particular, the delegation held talks with Australia's foreign minister Senator Gareth Evans and Australian Parliament Senate President Michael Beahan. A broad range of bilateral and international issues were considered. The talks finally coordinated and initialled the Ukrainian-Australian agreement on economic cooperation.

The Ukrainian government officials also took part in the holiday events dedicated to the 3d anniversary of Ukraine's independence, organized by the local divisions of the Ukrainian community in Canberra and Sydney.

Two Hostages Released in Sarajevo

[2SEP0067Z094] Moscow ITAR-TASS in English 1550 GMT 1 Sep 94

[By ITAR-TASS correspondent Andrey Nartovskiy]

[Text] Zagreb September 1 TASS—Two soldiers of the Ukrainian U.N. peacekeeping battalion deployed in Sarajevo, who disappeared on a motorway 30 km off the Bosnian settlement of Igna on Monday evening, returned to their unit on Thursday.

A spokesman for the battalion command told TASS over the phone that the Ukrainian peacekeepers were on duty at an

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

observation post, opening their armoured personnel carrier when a group of servicemen recorded them and escorted to the local station of Serb police. Threatening to use weapons.

"As we were explained, our soldiers wearing overalls were taken for Yeltsin's and arrested with a view to be subsequently swapped for Serb prisoners-of-war." the spokesman said. "Nothing terrible has happened to the guys, and we are still to serve here. However we shall not raise a clamour", he added.

Hostages are often taken by all the warring factions with an aim to be subsequently swapped for prisoned compatriots or for some other purpose. However, it is for the first time that Ukrainian servicemen have become victims of this practice.

Economic Talks Held With Turkmen Delegation

LD0509133494 Kiev UT-1 Television Network in Ukrainian 0600 GMT 5 Sep 94

[Text] A government delegation from Turkmenistan is on a working visit to Kiev today.

[Correspondent] Ukrainian Premier Vitaliy Masol has received a Turkmen delegation led by Valeriy Ochertsov, deputy chairman of Turkmenistan's Council of Ministers. The friendly state's ministers of oil and gas trade and material resources are also in the delegation.

Inviting his guests to a conversation, Vitaliy Masol pointed out the importance of extending trade and economic relations between our states. Today's talks, therefore, were on the subject of developing our contacts. It was stated that the agreements signed earlier between Ukraine and Turkmenistan on the supply of Turkmen gas to Ukraine and industrial goods and food to Turkmenistan in return, are being implemented but need speeding up.

The sides also discussed mutual settlements, in which area there are still problems experienced both by Ukraine and Turkmenistan.

The business negotiations outlined plans of agreements to be concluded to ensure mutually beneficial cooperation next year.

The Ukrainian side at the negotiations was represented by Ukraine Deputy Prime Minister Ivanniy Drozha and heads of ministries and departments.

National Affairs

Minister Views Government Restructuring

PM1509134794 Kiev DEN LOKOVY KURYER in Ukrainian 29 Aug 94 p 3

[Interview with Valeriy Pavlovych Pustovoytenko, Ukrainian minister of the Cabinet of Ministers, by unidentified reporter; place and date not given: "The New Headquarters Specifies Goals" --first paragraph is DEN LOKOVY KURYER introduction]

[Text] Due to his excessive preoccupation, Valeriy Pavlovych Pustovoytenko, nominated by a presidential edict to be minister of the Ukrainian Cabinet of Ministers, could not find time to speak to us. The new structure of the Cabinet of Ministers has been recently approved, though certain structural and staff changes at the ministries and departments, new appointments---in a word, an active process demanding appropriate work---still have to be implemented. It is no surprise that his office is referred to as "hot." Nevertheless, Valeriy Pavlovych found some time to speak with DEN LOKOVY KURYER.

[Reporter] Valeriy Pavlovych, the Cabinet of Ministers has approved its new structure. Could you comment on this decree? What are its basic principles?

[Pustovoytenko] I would say that the aforementioned document was drafted with only one aim---to increase the Cabinet of Ministers' responsibility for its work, which is of state importance and is aimed at speeding up economic reforms and addressing social issues.

I will only list a few departments---for the industrial sector, economic reforms, administrative and legal issues, defense, sociopolitical issues, and foreign relations. Departments are made up of agencies which deal with the entire range of domestic issues in Ukraine. The new structure also includes the Main Department for State Service. We have also envisaged such subunits as an Office for Cooperation With Supreme Council Commissions and an Office for Cooperation With Local Councils and Executive Branch Offices. I would like to note that they have been established to draft laws for consideration by the Supreme Council. We are planning to cooperate with the Supreme Council to sort out all the issues in advance and not to argue and look for guilty people after the law is adopted by the legislature. We should adopt those laws which are most expected by the people.

Departments and offices are united according to their functions. My first deputy and deputies for administrative and legal issues, regional and sociopolitical issues, and foreign relations will coordinate the work of the new departments and offices. A press service to issue prompt reports on Cabinet of Ministers activities will be also established.

I will once again emphasize the aim of undergoing structural changes. They are as follows: To increase responsibility, step up action, and introduce persistent changes, in a word, a course aimed at resuscitating the work of the central body dealing with state management.

[Reporter] We have noticed that a new office---"a group of advisers for the minister of the Cabinet of Ministers"---has emerged. As far as I know, there was no such office before.

[Pustovoytenko] Yes, I mean the group of non-staff advisers. The head of this group---Doctor of Technical Sciences Hennadiy Petrovych Kurochkin---has already been nominated. This group will also have a secretary to coordinate its work. Experienced specialists will participate in work on a document no---let us put it this way---

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

professionally assess future decisions, instructions, governmental decrees, so as to—figuratively speaking—bring future documents closer to the people who will implement them, and thus avoid such serious mistakes as the imbalance between perceptions and reality.

I can provide you with a fresh example. We have established a commission which will study the efficiency of our tax system—whether it helps or harms the state, first and foremost, the state sector of the economy. When this commission began its work, it turned out that there were no practical experts in this field. We can see that our officials are completely ignorant of the situation in the provinces. Therefore, we rely on consultations with our advisers. They will represent all sectors and will expertly and promptly report from the provinces on various changes.

The following example shows the participation of practical experts in drafting documents before they are adopted and approved. A governmental decree on the indexation of basic assets [of enterprises] is currently being drafted. We have already resorted to reports provided by the managers of two large enterprises. At our request, they have calculated how indexation effects the prices for goods. The conclusion is not a good one: Prices have virtually grown two-fold. Therefore, we decided to shift the discussion of this issue to enable our experts to more thoroughly study this issue and submit some other proposals. It is clear, however, that given the current situation, it is impossible to avoid price increases.

It should be mentioned that there are many people who are genuinely concerned with the serious economic situation in the state, and who are interested in the increase in the Ukrainian people's welfare. They come to me and offer their help. We receive quite a few proposals. However, I would like them to be more economically and technically founded. Such generous aid—I am well convinced of this—will serve our common goal.

[Reporter] Valeriy Pavlovych, it is natural that this structure gives a proper place for control over the implementation of decisions.

[Pustovoytenko] This is of particular importance. This is an invisible part of state management on a very low level. Therefore, a Control Department, which is directly under my command, serves this goal. We will provide it with the necessary electronic equipment and be able to receive prompt responses as to where some presidential decree, or Cabinet of Ministers edict or regulation, is not being implemented, and whose fault that is.

We expect similar actions on the part of our executive bodies at a low level. We are planning to use UKRAINSKYY KURYER more efficiently, because it is a state newspaper exercising public control over the implementation of laws and decrees.

[Reporter] Valeriy Pavlovych, how will you divide the functions and duties between the Office of the Ukrainian president and the various Cabinet of Ministers bodies?

[Pustovoytenko] I would rather speak about the unification of efforts than about the division of duties, as was assumed before. According to the acting Constitution, our president heads the executive branch, he heads the government and manages its work. It is clear that to avoid duplication, each Cabinet of Ministers unit will function according to draft provisions.

I would like to emphasize: State management is our common effort. There is no other path. We could improve the situation in the state by uniting efforts of the Supreme Council and the Presidential Office. Arguments have never resulted in anything good and have always been a stumbling block. Everything depends on the leaders. I can state that our views, actions, and intentions are currently in agreement. This is the most important thing.

[Reporter] You have already said that in light of new tasks we could expect the reorganization of the ministries and departments, and a reconsideration of their functions.

[Pustovoytenko] Yes, this is also the subject-matter of the known presidential edicts. You see, reorganization is not a goal in itself. We single the increase in the efficiency of state management through all state institutions. We are planning to use the experience of our Russian colleagues because the structure of their federal bodies has certain advantages. Whatever may happen, our interests have much in common and the aim is the same—to improve the living conditions of the people and raise their level of well-being. There is no harm in learning from our neighbors, because they implement reforms more quickly and their privatization is more successful. We are going to establish joint Ukrainian-Russian enterprises on a mutually advantageous basis.

Look at Ukrainian-Kazakh relations. When Kazakh President N. Nazarbayev visited Ukraine, I had a chance to sit near the minister of transportation from this friendly state. He remarked that Kazakhstan is inclined to buy Ukrainian-diesel locomotives. Our large factory in Lugansk is standing idle, its management is begging the state for help. They could have agreements with Kazakhstan. Once this Lugansk factory promised to produce the first Ukrainian tram, however, they did not keep their word. Odessa businessmen were sharp and entrepreneurial, and a joint Odessa-Dnepropetrovsk-Czech venture has already produced five trams.

This is the reason for the reorganization of our ministries and departments—to render state support to honest entrepreneurs, active undertakings, and specific activities.

[Reporter] Only active people can make a system work. What are your criteria for choosing executive officers?

[Pustovoytenko] In the first place, these are moral qualities, while professional requirements take second place. I can explain this to you. A liar, dishonest, or corrupt expert will not make the grade. In my opinion, the commitment to the cause of the national buildup is also very important, because not everybody meets the criteria

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

of a state official. After adopting the Law on State Service in Ukraine we received a mountain of letters—mostly unfounded—from provincial officials with requests to include them positions on the list. There will be a tougher and more regular assessment of qualifications, training and retraining of staff because experts should constantly increase their level of competence—all this is included in the status of a state official.

For its part, the state will care for people who honestly perform this hard work and will resolve their social problems. If these conditions are met, we could expect a complete commitment of a state officer to his work.

I want to certify that I have a good working relationship with the prime minister. He is perfectly aware and familiar with all state issues and I deem it necessary to share the wisdom of state administration from him.

We will increase the responsibility of our top officials—ministers, heads of departments and agencies—for their work. The outright irresponsibility of the staff, which has become common among the highest echelons of power, is illegal and we will fight against it until the very end.

[Krayeviy] Thank you, Valeriy Pavlovych, for this interesting and meaningful interview. We hope that you will regularly meet with URYADOVYY KURYER.

[Pustovoytenko] I can promise that.

Donetsk Leaders' Reform Strategy Viewed

AU1309134994 Kiev UNIAN in Ukrainian 2200 GMT 29 Aug 94

[Commentary by Oleksandr Savytskiy from the "Reviews, Commentaries, Outlooks" feature No. 35 (46), 29 Aug-5 Sep 94]

[Text] People's Deputy Volodymyr Shcherban, Donetsk Oblast Council chairman, head of the legislative Commission for Planning, Finance and Budget, has proclaimed the beginning of a new era in Ukraine's economic reform—the state's movement out of the crisis will begin with the economic revival of the Donetsk region.

This news will probably meet with dubious reaction in Ukraine's business and political circles, given that from the very start of Ukraine's existence as an independent state, all we could hear from Donbass were complaints about the difficulties of living in the mining region, the budget of which was characteristically robbed by the government to subsidize the remaining 23, primarily agricultural, oblasts. Meanwhile, people in those oblasts allegedly lived better than the major of supporters of the national budget.

Participants in mining strikes continuously voiced demands for a just division of money earned by the oblast. Scientists ceaselessly worked on projects reviewing the region's economy in general (that is the federal-land system), and its economic independence in particular.

The local managers corps, communists, and pro-Russian separatists (the Ukrainian Civic Congress, the Donbass International Movement, and the like) maintained that "nationalists" at the state's helm neglected the interests of the Russian-speaking majority of the region's population.

Local managers have now felt on their own skin the "advantages" of currency regulation and the system of quotas and export licenses introduced by their former brothers-in-arms Yukhym Zvyahilskiy and Valeriya Lutkivska. The coal industry management put all hope in the capability of their masters from the State Committee for Coal to help the miners, although the committee is governed by people from Donbass—M. Surkis and A. Druzba. Truckloads of furniture brought by Donetsk officials to their Kiev apartments, the style of Zvyahilskiy's work, and the row of scandals that accompanied his resignation, made the public regard Donetsk leaders as reserved and somewhat rude fellows who can push aside all other elite clans on Ukraine's administrative Mount Olympus.

The new Donetsk leaders, however, belong to a new generation. Oblast Governor Volodymyr Shcherban and Mariupol Mayor Mykhaylo Pushkarenko are typical representatives of business circles who came to the fore after the agony of the Soviet economy. In terms of their views, they are political pragmatists, in terms of the methods of work—resolute reformers. Their caution, acquired in the process of the fight of eastern Ukrainian business for survival under the absolute reign of "red managers" and communists, makes these businessmen-apparatchiks seek compromise and take into account the interests of a broad range of influential forces.

The mentality of the two chairmen [Shcherban and Pushkarenko] is much less packed with myths about "Banderites" [followers of nationalist leader Stepan Bandera] and "Ukes." One of Pushkarenko's first steps as city mayor was the reception of Viktor Pynzenyk, who advised local businessmen and entrepreneurs on how to form a free economic zone at the Mariupol port. Shortly after that, the mayor created Lviv, the leaders of which also intend to create a free economic zone, while Lviv Mayor Vasyl Kuzyshyn is expected in Mariupol at the beginning of September to sign an agreement on cooperation between the two cities. While the Supreme Council is "correcting" privatization, pragmatists in the provinces are taking steps to expand and develop cooperation inside Ukraine.

Traditional sentiment for neighboring Russia is giving way to a sober approach. Although Mr. Shcherban advocates the softening of customs restrictions and the border regime, he is by far not ready to throw himself into Russia's arms, a sentiment which was typical of the former Donetsk leadership.

Assessing the oblast's achievements under the economic-legal experiment, in accordance with which Donetsk, Dnipropetrovsk, Luhansk, and Zaporizhzhya Oblasts were given more rights in managing the state-subordinated enterprises (the only victors of the local

The report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

nomenklatura). Shcherban pointed out that he was not going to reject all of the accomplishments, however he did plan to make "certain corrections." He used this diplomatic term to proclaim the beginning of genuine reform. Addressing reporters, the oblast chairman said: "I am asking you to prepare the people's mentality for accepting the market," and then spoke about his meeting with Leonid Kuchma, and how he had managed to persuade the president that our state's economic rebirth should start in Donetsk. High concentration of industries, particularly metallurgy—Ukraine's sole reliable supplier of hard currency —in Shcherban's opinion, demands a special attitude toward the oblast. The oblast has most favorable conditions for an economic renaissance, if only Kiev is ready to make certain concessions.

According to Shcherban, the forming of the state budget should become the central point of reform. The Supreme Council Budget Commission chairman insists that the principle "from top to bottom" should be replaced with the principle "from bottom to top," so that oblasts meet their own demand first, and pay what is left over to the National Treasury. The Donetsk governor stated that he had secured support from Pynzenyk, who had promised to use his influence to lobby this issue. Shcherban had also discussed this idea with Prime Minister Masol.

The oblast council chairman's ability to win support from key players is a trait of which to be proud. While campaigning in the oblast, he had frankly admitted his inclination toward doing things thoroughly: "Once I stamp a document, nobody should meddle with it." Shcherban has held conferences with communists, socialists, and managers who currently represent the oblast's most influential forces. Together with managers, the oblast governor has drafted the strategy for influencing the region's representatives in the legislature. From now on, the people's deputies will be "invited" to enterprises and report to the electors on how they carry out the electorate's orders. "At this point, our deputies have no influence of which to speak on the legislature's work," —pointed out the governor, hinting at the need for joint efforts to obtain specific goals.

What are these goals? Shcherban is perturbed by the excessive VAT, the currency regulation, and the limitation of exports by the system of quotas and licenses, which can only be amended by the Supreme Council. Once these amendments are passed, he will be able to grant greater independence to enterprises, "particularly since the latter have started to show signs of improvement, even under the current minimum independence."

At the same time, Shcherban's first steps as the oblast council chairman demonstrated his intolerance of incompetent managers. His statement about possible changes in the current composition of the oblast executive committee worried certain bureaucrats.

The local administration is drafting a number of documents for the Ukrainian president's upcoming visit to Donetsk Oblast, including a draft edict clearly outlining the strategy of lifting the oblast economy from the bitter crisis. Shcherban maintains that once the edict is passed, local residents will feel its effects in as little as three to four months.

Two other events have taken place in the region at the initiative of the oblast governor. The visits to Donbass by members of the government Commission for Coal Mining and U.S. Ambassador Steve Miller. "I am dissatisfied with the Dyuba commission's work"—pointed out Shcherban. He did not like the fact that the commission had no plan for saving the industry, other than reinforcing discipline, reaching as far as limiting trade union activities and granting "coal generals" the right to introduce a barrack-like regime in mines. Leonid Kuchma will be recommended to consider both the government commission's recommendations and the economic project drafted by oblast experts, which stipulates, in particular, independence and tax breaks for mines, and multilateral support for their technological reequipment.

However, Shcherban is going to start with agriculture, for hungry citizens cannot be expected to patiently put up with the hardships of reform. New technologies are to be applied to lead the village out of the crisis. As early as this winter, intensive technological training courses will be organized for agronomists and machine operators. Combines will be bought with the money allocated by local metallurgical tycoons and loaned to peasants.

The coal industry will become the second stage of reform, and reshaping of all other industries will follow, in line with the aforementioned strategy.

The selling of industrial products will become another important field. The point is that 1.5 trillion karbovantsi worth of products are stored in the yards of machine-building enterprises. Shcherban is very experienced in this field, given that he was a trader for decades and is the founder of the "Delo Vsekh" ["Common Cause"] commercial company, which, according to him, currently controls 70 percent of the Donetsk coal. Shcherban has used Ambassador Miller's visit for negotiations on opening direct credit lines for the oblast, and on terms of U.S. investments in the region's economy.

Shcherban undoubtedly deserves attention. People in his entourage are sure that once economic prosperity is achieved in Donetsk Oblast, he will become the president of Ukraine.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Belarus

Lukashenka Decree Removes KGB Officials From Duty

LD0109164194 Minsk Belarusian Foreign Ministry Department of Information in Russian 1741 GMT 1 Sep 94

[Text] On 31 August the President of Belarus, [Aleksandr] Lukashenka, signed Decree No. 80 on releasing V. Ershov from his post as first deputy chairman of the KGB. The same decree also releases I. Minko from his duties as deputy chairman of the KGB.

Presidential Decree Regarding Privatization Drafted

AU0209000394 Minsk *BELAPAN* in English 2000 GMT 2 Sep 94

[Text] The Presidential Administration has worked out a draft decree "on improving the mechanism for denationalization and privatization of the state-owned property, and instituting a tougher control over their realization." According to the draft decree, it is supposed, in particular, to suspend, until further notice, all forms of denationalization of state-owned property, except for the low-value and rapidly depreciating equipment, instruments, spare parts, and products.

The state enterprises are to abandon the organizations engaged in intermediary and commercial-intermediary activities (except enterprises with foreign capital, whose co-founders are organizations of non-state forms of ownership).

The Prosecutor's Office of the Republic of Belarus and the bodies for privatization are ordered to check up once more the constitutive documents of the companies with the participation of state-owned enterprises, and the documents on denationalization and privatization in 1992-1994, as well as, in case of discovering violations of law, to appeal to courts for invalidating the deals on denationalization, privatization of state-owned property, and transformation of state-owned enterprises into organizations of the non-state form of ownership.

Lukashenka Urges Halt to Unjustified Price Hikes

LD0109192094 Minsk *INTERFAX* in English 1637 GMT 1 Sep 94

[From the "Presidential Bulletin" feature: Compiled by Nikolay Zhuravkov, Leader Petrovskiy, edited by Vladimir Shveblin]

[Text] President Alyaksandr Lukashenka in a late night televised speech on Wednesday called on local entrepreneurs for an end to unjustified price rises on consumer goods.

The government is having to resort to administrative bans because market mechanisms of price regulation have proved useless, he said. Lukashenka reckons that private businessmen can now derive up to 50 percent in profits without raising prices.

The current balance of prices, he continued, can be upset by unwarranted price increases sparked off by the private sector. Lukashenka said though he did not say what exactly could justify any price rise. The president said his economic monitoring department was to oversee that the ban is firmly in place.

On the government's new economic recovery plan, Lukashenka warned against further belt-tightening given that living standards were already at rock-bottom. He said the prime minister and president of the National Bank would be personally responsible for carrying out the plan's two main priorities of curbing inflation and price rises.

One other priority is to provide incentives for foreign investment. Lukashenka said that as an experiment, he had personally allowed the sale of several land plots to foreign investors specializing in the manufacture of vital products such as children's food. And he spoke of wanting to pick up the issue with parliament.

The main task facing the next session of parliament is to try to restore governability at all levels of power, Lukashenka said calling for amendments to the existing legislation now to reassert the now-lost government authority.

He strongly attacked the national cooperative union which grabbed the monopoly of rural trade under Soviet rule for its poor performance threatening to sack its management and nationalize the union. Trade Minister Valentsin Bavdak is vested "with special powers including the right to dismiss any trade manager."

Lukashenka denied allegations of planning to bring the Belarusian frontier force under the country's KGB saying that he himself would continue in charge of the force. At the same time, he pointed to a slackening of border controls with Poland as shown by a recent incident in which a group of 67 illegal immigrants from Africa and Asia found there was easy Poland after digging a passageway under border installations on the Belarusian side of the border. Lukashenka said the Belarusian border officials had failed to act despite a warning from their Polish counterparts.

Lukashenka: 'I Will Never Sell Land'

LD0109030094 Minsk Radiokompaniya Belarus International Service in Belarusian 2000 GMT 1 Sep 94

[Text] I will never sell land, the first Belarusian President Alyaksandr Lukashenka said in the TV program "Moment Istiny" [The Moment of Truth] to Andrey Karaulov, a Russian journalist. The program was made in Minsk and was first shown on Belarusian TV.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

to a former head of one of state farms in Mogilev oblast. Alyaksandr Lukashenka observed how private farms developed over three years which gave him the grounds to make such a statement. I will not give up land. In our republic farmers took up these farms for the sake of it, he noted, and today, all the farmers with some exceptions are suffering a production slump, unlike state and collective farms. Ten centners per hectare in comparison with 40 on the state and collective farms, on the same land. This does not mean, however, that collective farms are better on the whole. They have enough problems. But the land should be given to energetic owners, of whom we have very few. After the 1917 revolution they were exiled.

We will develop private farms, Alyaksandr Lukashenka noted, but not in a hurry, not without a selective approach, not in the way it has been done by people who do not know the value of the land and never worked on it. Of course, it is possible to give away the land to pseudo-owners, but by that we will push Belarus into even worse poverty. Where the land is concerned, one should have a sober, calm, methodical, but resolute attitude.

Lukashenka To Retain Control of Border Guards

LD2609133994 Minsk ITAR-TASS in English 1947 GMT 7 Sep 94

[Text] President Alyaksandr Lukashenka, of Belarus, announced rumors of his intention to re-subordinate the country's border guards to the State Security Committee. The border guards will be subordinate to the President alone, as before, Lukashenka said on television on Wednesday evening.

President Lukashenka pointed to what he described as a complicated situation on the border with Poland. He recalled that several days ago a group of 67 people including Africans and Asians had dug a tunnel under border installations and crossed into Poland. Polish border guards had warned their Belarusian counterparts in advance, however, the Belarusian border guard service failed to take any action.

President Lukashenka dismissed border guard commander Lieutenant-General Yevgeniy Bocharov and ordered Colonel-General Pyotr Chaus to head an inquiry into the state of affairs in the border guard troops.

Presidential Aide Criticizes Local Government System

BK2709083994 Minsk Radio Mayak Network in Belarusian 0700 GMT 27 Sep 94

[Text] It seems that the slogan—All power to the soviets—is still urgent in Belarus, since the system of soviets has been preserved in a draft law on local government, which is likely to be discussed at the upcoming Supreme Soviet session on 28 September. This was stated by Mikhail Savenok [deputy head of the presidential administration] at a news conference held at the National Press Center. According to Savenok, both executive and legislative branches of local power are currently existing only formally, whereas they do not actually operate. Therefore, the presidential administration is preparing a conference for heads of oblast and rayon executive committees. This conference will be held before the start of the legislature session in mid-September. As is known, changes in the Republic has been changed, and, judging by all appearances, the stances of heads of executive power in regions and cities are inadequate on many issues.

Presidential Staff To Be 'Under Strict Control'

LD2609183994 Minsk INTERFAX in English 1817 GMT 7 Sep 94

[Text] Members of the administration and staff of the Belarusian president will be under strict control, including secret surveillance, the deputy chief of the presidential staff Mikhail Savenok has said. A special anti-corruption committee under the presidential administration will be responsible for this.

He said that "whether civil servants keep clean hands would be under the president's personal control who chooses his associates without any political bias". Savenok said that the presidential staff and administration will be a little more than 100 people.

Savenok said that all appointments to posts in the presidential administration and staff would from now on be made after "scrutiny by the anti-corruption committee". Savenok said that the list of basic criteria in choosing [a worker] would be professionalism and flawless decency and honesty," Savenok said.

He declared that the law-enforcement agencies of Belarus, including the State Security Committee, have resumed the investigation into the assassination attempt against Lukashenka during the election campaign last June. One shot was fired at the car of the then presidential candidate. Investigators claimed after an urgent inquiry that it was a faked attack. Savenok said that the new investigation would not be "too urgent and put everything in the right place".

Moldova

Water To Impact Cereals To Cover Low Production

AU0209111194 Chisinau BASAPRESS in English 1111 GMT 27 Aug 94

[Text] Chisinau BASAPRESS 27/8/1994—The State Department for Cereals (SDC) has so far collected 17,500 tons of feed wheat, Stefan Ciudin, SDC deputy head, told BASAPRESS. He pointed out that, according to a government decision 119,000 tons of cereals are to be collected for the reservation of the state. Out of the

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

loan worth 23 million lei granted by the National Bank and Agroindbank at an interest rate of 70 percent to fulfill the collection of cereals. 13 million lei has already been used. The quoted source said that the collection price stands at 0.35 lei for 1 kg. The rates of collecting wheat fell to 1,000 tons per day last week due to the natural calamities. Stefan Criulo said. Previously, the Department for Statistics reported that the cereals only in Moldova exceeded 1 million tonnes despite the pessimistic forecasts, and this represents 58 percent of the level registered in 1995. Government officials said that Moldova will harvest only 600,000 tons of summer wheat and that it will be compelled to import 100-200,000 tons of cereals to meet its domestic necessities. Presently, negotiations are conducted to import cereals from Russia and Kazakhstan.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Kazakhstan

Nazarbayev Meets With Turkey's Assembly Speaker

LD0209171994 Moscow ITAR-TASS in English 1628 GMT 1 Sep 94

[By KAZTAG Correspondent Ivan Zakharchenko for TASS]

[Text] Alma-Ata September 1 TASS—"Kazakhstan and Turkey have many common roots. They are successfully developing mutually beneficial cooperation in various spheres." Kazakh President Nursultan Nazarbayev said on Thursday, receiving Husamettin Cindoruk, Chairman of Turkey's Grand National Assembly [name and title as received], who arrived here for an official visit.

"Kazakhstan is steadily carrying out economic reforms," the president emphasized. He believes the single economic space recently built by Kazakhstan, Kyrgyzstan and Uzbekistan is to help his republic overcome the current crisis. Tajikistan and Turkmenistan have also announced their intention to join this economic space. This proves to the fact that many countries are coming to understand that an all-round economic integration of neighbouring states helps each of them make greater progress in implementing reforms.

Describing Kazakhstan's foreign policy, Nazarbayev said his country is working to foster friendship and mutual understanding with all its neighbours, including Russia and China, as well as to work for ensuring security not only in the region, but throughout the world.

Highly assessing Kazakh-Turkish relations, Cindoruk laid a special emphasis on close cultural contacts, increasing exchanges in the sphere of education. According to him, the two parliaments have every opportunity for stepping up and improving their ties.

On Thursday the Turkish delegation head met for talks with Kazakh parliament chairman Abish Kekilbayev.

In the evening, Cindoruk addressed a parliament session with a brief speech.

Nazarbayev To Visit Turkey Late Sep

LD0209220194 Moscow INTERFAX in English 1842 GMT 1 Sep 94

[Text] Kazakh President Nursultan Nazarbayev's official visit to Turkey, planned for late September, will contribute to the development of relations between Kazakhstan and Turkey, Chairman of the Turkish National Assembly Husamettin Cindoruk said in Almaty today.

During his meeting with Cindoruk, Nazarbayev stressed that Kazakhstan is interested in economic cooperation with Turkey.

Nazarbayev told Cindoruk that Kazakhstan like other former Soviet republics is going through difficult times as it makes its way to the market future. Nazarbayev said he believes the way out of the crisis lies in closer integration between former Soviet republics.

Nazarbayev emphasized the positive role played by the union between Kazakhstan, Kyrgyzstan and Uzbekistan. He said that Turkmenistan and Tajikistan are ready to join this union in the near future.

Turkey To Lay Out $2.7 Billion for Oil Drilling

LD0209171994 Ankara TRT Television Network in Turkish 1700 GMT 1 Sep 94

[Text] Turkey will invest $2.7 billion in its oil drilling and production project in Kazakhstan—a project where Turkey will be producing oil outside its borders for the first time.

Now let us look at the first well where experimental drilling has been started by the Turkish-Kazakh Mustaq company. The company, which also includes the Turkish Petroleum Corporation, is drilling for oil with a license in seven areas totalling 28,345 square km in the Caspian region in western Kazakhstan. There are 237 million tons of oil and 293 billion cubic meters of gas reserves in the region.

During the exploration activities, oil was struck in the Borsheilat-1 well in Akdag region, and experimental production began there.

Energy and Natural Resources Minister Veysel Ataseven and Kazakh Geology Minister Feridun Dukenov jointly began the experimental production. Ataseven told Turkish Radio and Television:

[Begin Ataseven recording] I am very happy. This is the success of the Turks, of the Turkish engineers, of the Turkish leaders. The work conducted by our people and our Kazakh friends kilometers away from Turkey has yielded fruit. As you can see, production has started. This is an experimental production and will shed light on future activities. [end recording]

Privatization Chief Views Problems, Tasks

LD0209171994 Almaty Kazakh Radio Network in Kazakh 0400 GMT 1 Sep 94

[Excerpts] An auction held in Aktau on 27 August marked the first anniversary of small-scale privatization in Kazakhstan.

The auction was preceded by a news conference at which Berik Baimbetov, chairman of the republic's State Privatization Fund, addressed the media.

[Begin Baimbetov recording] The national privatization program is being implemented, and first nationwide results can summed up now. Of four main directions of

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

the privatization, practically two directions have yielded some practical results: small-scale privatization and large-scale privatization.

With your permission I shall dwell on small-scale privatization first. The small-scale privatization so far has produced about 120 million soms in revenue for the budget. Half of this money was allocated to our committee in the residential housing coupons from the population. One-fourth of the money is being spent on further development of the small-scale privatization campaign. The remaining money is used to redeem the state debt.

Under the current system, the problem with residential housing coupons will not be resolved completely but we would like to ask the media to help us ask the savings bank: How are the coupons being redeemed? How many coupons are still left owned by the population? How was the money that we allocated to the bank spent?

We have very serious suspicions that the money that we allocated for buying out the residential housing coupons is being used by the savings bank in a centralized way as credit resources. We would like to focus public opinion on this fact and draw the public's attention to it: asking where the money is being channelled.

In our commission, we see not only achievements of the small-scale privatization but also certain disadvantages. If we take the republic as whole, we need to hold small privatization auctions everywhere. This is not feasible. In some oblasts, there are no buyers at all. Or buyers buy objects at tenders but then do not actually pay the money. This is a serious disadvantage. In my opinion, the solvency of buyers should be checked. We cannot do it properly because at the moment we do not have a system of showing guarantees that the buyer will not back off from his choice later. We are working on this now.

We are thinking of attracting foreign investors into the process. I do understand that there are very many problems in this respect, but nevertheless, it is our sacred duty to treat every investor in a fair way. Currently, the committee has brought office equipment and everything needed to improve our work. We have set up a global information system involving our foreign advisers. We are collecting data into the database but we still need more expertise. Of course, if we are to involve foreign investors, we will have to estimate the assets of the enterprises to be privatized - either in assets as such or in share capital.

According to foreign advisers, to do this we need $4 million. Of course, we do not have this money, and of course, we cannot allow [illegible] researchers. For this reason, we have to operate [illegible] by a method of try-it and-see.

Mr. Zaitsev, responsibility in large-scale privatization. If you allow me, I shall say a few words about this. Currently, the notion of large-scale privatization is viewed by us as a somewhat outdated notion. We regard now as a common process both large-scale privatization and the formation of the securities market as well as that of the capital.

As far as the results of the large-scale privatization are concerned, so far 280 enterprises have been privatized. This is also a sufficiently big size of money. The state privatization fund will carry on with this work, and we hope that we shall meet the deadlines given to us. [end recording]

Tajikistan

'Exclusive' Interview With Head of State

LD2809162494 Moscow INTERFAX in English 1611 GMT 1 Sep 94

[From the "Presidential Bulletin" feature compiled by Nikolay Zhevelev, leader Petrovskiy, edited by Vladimir Strekhin]

[Text] Head of state Emomali Rakhmonov gave an exclusive interview to Interfax.

Q: Can an all-out opposition offensive thwart the September 25 presidential elections and constitutional referendum?

A: The authorities of numerous cotton-producing areas and individuals asked the government to put off the presidential elections and the constitutional referendum. Indeed, end of September is the peak of the cotton harvesting campaign and cotton is the biggest asset of the republic. It would be a pity if politics hurt economics again. Also, as many refugees as possible should be back before the elections. To make this easier, an amnesty was declared for those involved in the tragedy of 1992. We want the opposition to put up a candidate. We gave heed to the advice given by United Nations and CSCE officials. The republic's Supreme Soviet will hold a session on September 7. It will have the right to make a final decision on the constitutional reform.

Q: Will the voting be legitimate and convincing in the context of instability and bearing in mind that numerous voters stay outside Tajikistan?

A: Once the elections were called, we have sprung to it that law is observed at every step and in every procedure. Under the presidential election legislation the elections will be invalid if less than one half of the registered voters attend them. I am confident there will be a quorum and the citizens of the country will go the polling stations because their future is at stake. Much work is underway. Constituencies and election commissions have been set up throughout the country, notably in the Gorno-Badakhshan Autonomous Region. Task clusters temporarily outside the country will be able to vote in our embassies or legations. Inevitably, there are lots of

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

thousands, not hundreds of thousands refugees, as some would have the world to believe.

Q: Do you think that the potential of the Tajik opposition's choice has been exhausted? Do you think that compromising with your political opponents at a negotiating table makes sense? If you do, should the talks be expanded?

A: The dialog with the opposition is not over. We had only two rounds of talks, in Moscow and Tehran. We are now preparing for a third one which is scheduled to be held in Islamabad. I believe that we will be able to arrive at mutually acceptable decisions on key issues. The Supreme Soviet presidium discussed the results of the two rounds of talks and decided to upgrade our delegation. Amnesty was decreed on August 23 for some opposition figures guilty of involvement in fratricidal war and taking part in it.

Q: What do you think of Uzbek President Islam Karimov's opinion that a Tajik president has to be elected on a broad democratic basis and a broad political consensus should be declared before the elections?

A: Any advice is worthy of closest attention, especially if given sincerely by a good neighbor. I deeply respect Karimov and highly appreciate his desire to help and his experience in working for peace and stability in Central Asia. The voters have a choice in the elections, we have two candidates. Amnesty was declared in Tajikistan three times after the end of the civil war. As for political prisoners, there is none in the republic. The law enforcement and judicial authorities faithfully abide by the law.

Q: You are a credible candidate for presidency and have the experience of running the country for two years. What do you regard as your biggest mistake and your most impressive accomplishment since the end of 1992? If elected, will you have a new potential to influence the situation in the country? How do you propose to use it? What will the priorities of your internal and foreign policy be if you are elected?

A: My biggest error, I think, was insufficient emphasis on Tajikistan's economy. It is now in a very sad state. Without trying to vindicate myself I can say that we were chiefly concerned with restoring the legitimate authorities throughout the republic. I am reluctant to evaluate what I did but I think it is to my credit that civil disturbances have ended, the constitutional fundamentals have been created and the destroyed property and infrastructure are being restored. The damage done by the civil war is estimated at 17 trillion rubles in today's prices. Much remains to be done to deal with the effects of the civil war.

If I win, I will use the new powers efficiently. Special attention will be given to economic reforms, introduction of market relations and increasing the impact the banking and crediting system makes on the production. Democratic changes will start. In our foreign policy we will step up comprehensive cooperation with CIS member states, we will do our best to have closer ties with our reliable friends such as Russia, Uzbekistan, Kazakhstan and others.

Q: Who can compete with you in the electoral contest? What can you say about the newspaper reports that you try to neutralize your rival, Abdumalik Abdullajanov, Tajik ambassador to Russia. Did you meet him in Moscow recently and what is the outcome of the meeting?

A: I have good relations with my rival in the presidential race Abdumalik Abdullajanov, Tajikistan's ambassador extraordinary and plenipotentiary in Russia. We did not have any secret meetings. We stayed in contact with each other during my Moscow visit. He welcomed me at the airport as becomes an ambassador. We made no secret of other meetings. He is coming regularly to Dushanbe on official business. Our relations are in effect normal.

Q: Should Russia adopt a more active stance in the runup to the elections? Are you pleased with the results of your latest visit to Moscow? Should Russia step up its economic aid to Tajikistan or step up its military activities in it?

A: Russia is an interested party in Tajikistan. The Moscow Friendship and Cooperation Treaty keeps us together. Friendship and fraternal relations are useful to both of us. We cannot overcome our post-war crisis without Russia. We are very grateful to Russia for its support. Its economic aid is continuously increasing. There is no question of Russia stepping up its military activities in Tajikistan. The number of Russian troops there remains unchanged. They do not interfere in our internal affairs.

Rakhmonov Visits Returning Refugees

[UNOMAT/OSCE Dushanbe Radio Tajikistan Network in Tajik 0800 GMT 7 Sep 96]

[Text] Emomali Rakhmonov, head of state and chairman of the Supreme Council of the Republic of Tajikistan, this morning visited Shahrtuz raion, Khatlon Oblast. The head of state familiarized himself with the living conditions of refugee compatriots who have been repatriated from Afghanistan and had talks with them. He also met with local government officials [words indistinct]. As everyone knows one of the main reasons

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

for postponing the election was the repatriation of refugees to the homeland. Therefore, the state and government leadership of the republic has comprehensively [illegible] this issue and are taking necessary measures for its speedy settlement.

No Resources to Close Tajik-Afghan Border

LD0309182794 Moscow INTERFAX in English 1611 GMT 3 Sep 94

[Text] Tajikistan does not have enough force or money for completely closing the Tajik-Afghan border, Chairman of the Kazakh National Security and Defense Committee, Lieutenant-General Tokhtar Aubakirov said at a press conference today.

"A new agreement between the leaders of the CIS countries which provide their troops is needed to increase the contingent of the CIS peacekeeping forces in Tajikistan," he added.

Aubakirov came to Tajikistan early this week to examine the conditions for servicemen of the Kazakh separate battalion who defend the Khorog section of the Tajik-Afghan border.

Commander of the Russian Border Defense Troops in Tajikistan, Lieutenant-General Anatoliy Chechulin, who also took part in the press conference, said that the opposition had reacted "inadequately" to the preparations for the presidential elections.

Chechulin said he believes that the opposition aims at hampering elections and the referendum on the constitution planned for September 25.

Chechulin said that the main forces of the armed opposition are concentrated on the Khorog direction. "That is why the contingent of the troops defending the state border there was increased by two times," he added.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Armenia

Talks With Azerbaijan, Nagorno-Karabakh Resumed

NC3109144994 Yerevan SNARK in English 0827 GMT / Sep 94

[Text] Shusha (Nagorno-Karabakh), September 1 (SNARK)—Today the second part of the talks on the level of Foreign Policy Experts of Nagorno-Karabakh, Azerbaijan and Armenia started in Moscow. SNARK got this information in the Foreign Affair Ministry of NKR (Nagorno-Karabakh Republic).

The participants of the meeting continue the discussion of main agreement points of the peaceful settlement of Karabakh-Azerbaijan conflict, project of the first meeting.

Armenia, Georgia To Receive Russian Gas

NC3109134994 Yerevan ARMAT [ARMENIAN TELEGRAPH AGENCY] in English 0736 GMT / Sep 94

[Text] Yerevan ("ARMAT" daily, HAYASTAN, 06/31/94)—Construction of a 52km-long gas pipe-line, connecting Northern Caucasus with Transcaucasia has finished.

The new pipe-line has the capacity of transferring 10 mln cu.m. of natural gas daily. From now on, Georgia and Armenia will be able to receive fuel directly from Russia, bypassing the territory of other countries. According to the "Russia" radio, the new pipe-line will significantly improve the supply of natural gas to these republics.

Salary Increases, Official Appointments

NC3109133994 Yerevan Armenia-1 Radio First Program Network in Armenian 1900 GMT / Sep 94

[Excerpts] An expanded session of the Council of Ministers Presidium took place today under Prime Minister Grant Bagratyan. Increase in the salary of the employees at the budgetary institutions in Armenia, and in pensions and benefits were examined. It endorsed the Armenian president's draft decree envisaging a 30 percent increase in the salaries of the employees at the budgetary institutions, in pensions, and benefits as of 1 September.

The meeting also discussed cadre problems. Eduard Gevorgi Mirzoyetsan was appointed first deputy chairman of the Armenian Republic State Directorate for Television and Radio Broadcasts, and Stepan Hrachiki Zakarian as deputy chairman.

Gregor Ivanovich Sargsyan was appointed Deputy Minister of Material Resources of the Armenian Republic.

Azerbaijan

Aliyev on Political, Economic Conditions

NC3109183994 Baku Azerbaijan Radio Television Television Network in Azeri 0600 GMT / Sep 94

[Text] Azerbaijani President Geydar Aliyev received today a delegation headed by Maria Vieira, secretary-general of the Women's Socialist International, which is on a visit to our republic.

[Begin recording] [Unidentified correspondent] The Azerbaijani president provided detailed information to the representatives of the international organization on the sociopolitical situation in our republic, Armenia's aggression against Azerbaijan, the grave living conditions of the refugees, economic reforms, and the transition to market relations.

Aliyev reiterated that Azerbaijan favors a peaceful resolution of the conflict, and expounded the position of our state. The president indicated that the means and conditions have been created for the development of democracy in our republic, and that we will never again give another country a chance to enslave Azerbaijan.

[Aliyev in Azeri] We are creating very extensive opportunities for the development of democracy in our republic. That is, our new independent state is founded on democratic principles. We are working to consolidate democracy in our society. And our fundamental aim is to raise our republic to the level of the civilized countries of the world, to establish a democratic, law-based state, and to build our society wholly on democratic principles.

We are trying to improve the sanitary-epidemiological situation in Azerbaijan, even though there is a war going on. Casting a glance at wars in world history, we see that in most cases war generates epidemics and contagious diseases. Being aware of this, we are taking the necessary measures. However as you know, our means are very limited. We would be grateful for your assistance if your organization has such means.

[Unidentified reporter] The representatives of the Women's Socialist International conveyed to President Geydar Aliyev their views and opinions on their meetings with the refugees in frontline regions in recent days. They said that they will spread objective information on Azerbaijan in their countries—Austria, Chile, and Britain.

The Azerbaijani president replied to questions of interest to the guests.

Arif Abdullayev, chairman of the Azerbaijan Committee of the Helsinki Civil Assembly, and Anar Alizade, chairman of the Azerbaijan Social Democratic Party, accompanied the guests.

State Minister Vafa Guliyade was present at the meeting. [end recording]

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Interior Ministry Claims Illegal Group Disarmed

[20/08/94 14:54 Moscow INTERFAX in English 1054 GMT 20 Aug 94]

[Text] The Interior Ministry of the Nakhichevan Autonomous Republic informed its leadership in Baku that the illegal armed grouping led by Shakhmandan Dzhafarov, which operated in the Sharur district of the Nakhichevan republic, has been disarmed. INTERFAX learnt about the completion of the operation which has been carried out since August 20 at the press service of the Azeri Interior Ministry.

A press service spokesman said that the crime situation in the Sharur district of Nakhichevan, an enclave of Azerbaijan between Armenia, Turkey and Iran, has been normalized.

According to earlier reports during the operation one of Dzhafarov's supporters was killed, another one wounded and over 10 arrested. One policeman was also killed.

Meanwhile, according to sources in the People's Front of Azerbaijan, the operation carried out by the police and army units in Sharur Dzhafarov was not a success.

The opposition claims that the government forces did not accomplish the tasks largely because many policemen and servicemen refused to obey the orders of their commanders.

The People's Front believes that the operation to disarm Dzhafarov is a component part of the plan to eliminate Gaidar Aliyev's president and PFA leader Mutlibe Elchibey, who has been in the village of Kyrkiz of Nakhichevan since the summer of last year.

The Nakhichevan representatives of the ex-president's resistance spoke of the deployment near Kyrkiz of a group of extremists consisting of 17 people. Members of the group, according to Elchibey's supporters, recently attempted to capture relatives of the ex-president but they were unable to do so due to the resistance of local inhabitants. One of the villagers was seriously wounded.

According to the latest reports of Elchibey's press service, a special police force and military equipment has entered the Dovshanlar village.

The information was denied, however, by a spokesman for the Azeri Interior Ministry.

Nationalist Group Sends Volunteers to Chechnya

[20/08/94 Tel Aviv-Jerusalem QUDS 0715 GMT in Russian 1100 GMT 20 Aug 94 p 4]

[Report from Baku by Asif Chirinov under the "Nationalist Leader Azerbaijani Corps Worked in Chechnya. 'Blue Guard' Leader Does Not Hide His Anti-Russian Views" rubric]

[Text] The "Blue Guard" Corps Worker's Azerbaijani party has expressed its patriotic solidarity with the Chechen national-liberation movement, which "is fighting for the freedom and independence of its motherland." The party information service's press release says that a unit of the "gray wolves" has arrived in Chechnya, after being received by Dudayev they will join the country's defenders. A victory in Chechnya, the press release goes on, means a victory of the national-patriotic forces in the entire Caucasus, including Azerbaijan. In the party's opinion, the Azerbaijani leadership is preventing the patriots from realizing their capabilities at home—so now they are ready to show examples of valor and heroism on the brotherly Chechen people's soil.

Lieutenant General Iskender Gamidov, leader of the "Blue Guard" party, has just recently become head of this political organization, although he was with the "gray wolves" movement in the republic from the beginning. In May 1992, with the help of "wolves" units pro-Gaidar-ist authority was toppled and replaced with the People's Front under ultranationalist Abulfaz Elchibey. Under him, Iskender Gamidov was internal affairs minister of the Azerbaijani Republic. He does not make any secrets about his anti-Russian views, being certain that all the Caucasus' woes stem from Russia's "imperial ambitions." He is a member of the Milli Mejlis and publisher of the BUZ GURD newspaper. Iskender Gamidov's party is still part of the radical wing of the Azerbaijani People's Front.

Georgia

Alleged Human Rights Violations Highlighted

[LD/2004/1154 Tbilisi ABKHAZ FAKTOR in Georgian 20 Aug 94 p 1]

["Statement by the Georgian Helsinki Union" – place of issue and date not given]

[Text] On 15 August of this year, at a press conference held on the initiative of Kakhaber Kiknavelidze [Georgian police lieutenant colonel] Erisa Dali [name as published] and Kakhaber N. Bregadzeva, representatives of the "Helsinki Human Rights Watch" and "Memorial" organizations for the protection of human rights, it was pointed out that several prisoners had been shot, which Sandro Kavradze, chairman of the current regime's "Commission for the Protection of Human Rights" has not been able to deny.

In addition to this, it is known that, on the same day, Batumi Victor Dvoinikhovski, a Supreme Council deputy [under ex-President Gamsakhurdia] and political prisoner was cruelly beaten in his cell by Col. Dvalishvili.

The Georgian Helsinki Union categorically demands that materials on those sentenced to death be immediately published and Col. Dvalishvili be expelled from the internal affairs bodies following the initiation of criminal proceedings against him. Otherwise, we will appeal to international bodies.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

ISBN-9435-94-[7]
2 September 1994

Protestors' Demands To State Human Rights Committee

[Untranslated Order 18.02.12 / 2.08.94 in Georgian 26 Aug 94 p 1]

[News Analysis] report: "Action Outside the Committee for the Protection of Human Rights. Kavsadze Has Promised To Help The Participants in the Action."]

[Text] On 25 August the Georgian Helsinki Union and the Nationals Conservative Party held a protest action outside the building of the Georgian Committee for the Protection of Human Rights [in Tbilisi]. The action was devoted to issues concerning those people imprisoned in connection with the Zviad Gamsakhurdia case and the protection of human rights in general in Georgia.

Several dozen people holding placards were protesting against the inhumane treatment of the prisoners. Both physical and psychological pressure is being applied against them. The participants in the action demanded to meet with Aleksandr Kavsadze, chairman of the Committee for the Protection of Human Rights, and hand over to him a letter.

Beshir Iordkipa, a persecuted Supreme Council deputy [under Gamsakhurdia] and one of the founders of the Nationals Conservative Party, read out the 25-point letter, in which it is stated: International public, organizations for the protection of human rights and those in Georgia have been systematically pointing out facts pertaining to the total and gross violation of human rights and freedoms in Georgia, including the beating of prisoners, the gross violation of norms of judicial procedure, the dismissal of people from their work on political grounds, the restriction of the freedom of the press and freedom of speech, and so forth. Against this background, the state committee empowered by you has not lodged a single protest and has not taken any steps in this respect to rectify the situation. It has not protected a single person suffering the infringement of their rights and liberties. [2] The aforementioned convinces us that the State Committee for the Protection of Human Rights is failing to fulfil its duties. We believe that the sole reason for your existence is to create an international facade for the current authorities by using methods that are characteristic of Communists. Therefore, in the event that the demands listed below are not satisfied, we will be forced to demand that your committee be abolished.

1. We demand a meeting with the political prisoners Mikheil Gelbakhiani and Mikheil Antadze, who are on hunger strike, as promised.

2. We demand that you take measures to save the life of the political prisoner Ramaz Tsanavili, who has been ill with Bechet's disease for months now, and safeguard the health of those in the cell with him.

3. We demand that a list of Supreme Council deputies and supporters of the Georgian President [Gamsakhurdia] for whose arrest warrants have been issued be revealed and published in the press. We also demand that the reasons for issuing the warrants be published.

4. We inform you that death sentences are continuing to be carried out. We demand that, in accordance with the statement made by Amnesty International, you study all such cases and publish the corresponding conclusions in the press.

5. We demand you take measures to reinstate the lawyer Nizharadze.

6. We demand that a report of the work carried out by your organization be published, as promised.

7. We demand you take measures to enable political prisoners to hold a press conference in prison.

8. We demand you make an official statement in the press concerning the measures taken by you in connection with your "kidnappers."

9. We demand that you record the violation of lawyers' and political prisoners' rights and norms of procedure during court proceedings.

10. We demand the release of political prisoners.

We state our good will and call upon you to protect all the fundamental human rights and freedoms recognized in international declarations and acts.

When Beshir Iordkipa had read this letter Vasiko Kavsadze, accompanied by other persons, appeared on the steps of the committee building. He attentively read the placards of the participants in the action and then asked Beshir Iordkipa to explain the reason for organizing the action. Having received a reply, he addressed a few words to the participants in the action. Kavsadze said that he had held talks with the interested bodies and the Committee for the Protection of Human Rights had been allocated two hours of air time monthly. He promised those gathered that any representative of the participants in the action could, along with him, speak and express his view live during the air time allocated to the committee. He promised those gathered that he would examine every point set forth in the letter.

Opposition Stirred Up in Sevan Resort

[Untranslated Order 139/2 in 7 15/21.08.94 p 2 in RUSSIAN in Russian 11.02 GMT 7 Sep 94]

[Text] Sevan (no date as received)—Reliable sources report that MP Vardo Aslamov, chairman of the Mesrob Koshots Society, held a meeting with the ozone population in the Sevan Drama Theater. The meeting was

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

authorized by the local authorities. About 300 people participating in the meeting virtually staged a rally of the former president's supporters aiming to restore the Round Table political bloc.

Vazha Adamia said that he, together with other opposition forces, intended to launch a peaceful fight against the Georgian head of state and create a so-called Convent. In Vazha Adamia's words, the Convent will elect the authorities that will save Georgia. Vazha Adamia himself will hold a high-ranking post and the Merab Kostava Society will get most of the seats in the parliament.

The meeting was predominated by rumors, and its chief aim seemed to be the creation of a tense situation in the area leading eventually to fresh confrontations.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Estonia

Minister on Environmental Damage by Russian Troops

WS0509121594 Tallinn ETA in English 0829 GMT 1 Sep 94

["News Release"]

[Text] Soviet/Russian troops have caused Estonian environment damages totalling 58.95 billion Estonian kroons ($4.71 billion), the Estonian Environment Minister Andres Tarand told a news conference on Monday.

One fourth of the damages were caused by fuel that has penetrated into soil and subsoil water, Tarand said. Thus far Russia has paid no country any damages caused by the Soviet military and, consequently, Estonia has no big hopes to receive compensation, Tarand said adding that negotiations on that issue should still be held.

Work at estimating and minimizing damages caused by the foreign troops has been going on for over two years, but there have been interruptions as quite recently the military bases were partly under Russian control, Tarand said.

The government has allocated 10 million kroons over the two years to the work which has been mainly spent on estimating the damages, the minister said.

Work at removing aircraft fuel from subsoil water have been started at Tapa, the location of a former major military airport. Works have progressed already to its third stage and should be completed by next spring, Harri Lee, a head of department, said.

The work has been financed by Denmark which has granted 1.25 million Danish crowns for that purpose. Estonia has financed work done by Estonian companies. Plans have been made to build a system for purifying environmentally contaminated water and building a system of fuel separators which altogether would cost 2.2 million Estonian kroons.

According to Lee, water has been contaminated on eleven square kilometers and is covered with petroleum on six square kilometers. Around 3,000 residents suffer under the contamination. Now, petrol is being pumped out and is to be used as fuel.

Last Year from the summer until constant observation was being carried out in Paldiski with samples taken from the air and sewerage every day.

Pace of Privatization Increases 'Considerably'

WS0509062894 Tallinn ETA in English 1947 GMT 1 Sep 94

["News Release"]

[Text] The speed of privatization has increased considerably this year as compared to last year, chairwoman of the Estonian Privatization Agency Liia Hanni told a press conference dedicated to the results of the Agency in the first half of this year on Thursday. If last year 54 sales-purchase contracts were concluded by the Agency during the first half of this year the number is 99. At auctions 54 objects have been sold, 208 objects have been delivered to privatization lists during the period.

From the beginning of 1993 to August 31 this year 137 sales-purchase contracts have become valid for the total sum of 923,606,552 kroons. The contracts have guaranteed investments for 568,803,164 kroons and jobs for 20,217 people. At auctions 313 objects with the total sales price of 169,137,000 kroons have been sold during the period.

Bomb Blast in Narva 'Direct Challenge' to Authority

WS0509034794 Tallinn ETA in English 0829 GMT 1 Sep 94

["News Release"]

[Text] The Estonian Government interprets weekend bomb blast at Narva-Jõesuu resort as direct challenge to the Republic of Estonia and its local governments, Prime Minister Mart Laar told a government briefing on Tuesday.

The government decided to give 300,000 kroons to the municipality to resume its work.

Interior Minister Heiki Arike must present the next government session a report on the investigation, Laar said. The ministry must also adopt measures "to guarantee the security of local self- governments," Laar said.

The bomb blast that occurred early Sunday morning was caused by two kilos of trotyl, police prefect of Ida-Virumaa, Helmut Paabo, told ETA on Monday. The bomb had been planted right under the office of Mayor Vello Jukkov, Paabo said. The explosion wiped out about one third of the building and was followed by fire. Paabo said that special police teams have been set up which in close cooperation with the Defence Police carry out the investigation.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign-language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS *DAILY REPORT* contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the *DAILY REPORT*s may also be available periodically and will be distributed to regular *DAILY REPORT* subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current *DAILY REPORT*s and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the *DAILY REPORT*s and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the *DAILY REPORT*s or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735,or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon 243-3771.)

Back issues or single copies of the *DAILY REPORT*s and JPRS publications are not available. Both the *DAILY REPORT*s and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.